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A copy of this document, which comprises a prospectus relating to Atrato Onsite Energy plc (the Company) in connection with the issue of Issue Shares in the Company and their admission to trading on the Main Market and to listing on the premium listing segment of the Official List, has been prepared in accordance with the UK version of the EU Prospectus Regulation (2017/1129) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended and supplemented from time to time (including, but not limited to, by the UK Prospectus Amendment Regulations 2019 and The Financial Services and Markets Act 2000 (Prospectus) Regulations 2019)) (the UK Prospectus Regulation) and the prospectus regulation rules of the Financial Conduct Authority (the FCA) (the Prospectus Regulation Rules). This Prospectus has been approved by the FCA, as the competent authority under the UK Prospectus Regulation and the FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Accordingly, such approval should not be considered as an endorsement of the issuer, or of the quality of the securities, that are the subject of this Prospectus; investors should make their own assessment as to the suitability of investing in the Issue Shares.

The Issue Shares are only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in the Issue Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment programme. It should be remembered that the price of the Shares and the income from them can go down as well as up.

The attention of potential investors is drawn to the section entitled Risk Factors in this Prospectus.

The results of the Initial Issue are expected to be announced on 19 November 2021. The earliest date for applications under the Offer is the date of this Prospectus and the latest time and date for applications under the Offer is 1.00 p.m. on 17 November 2021. Further details of the Initial Issue and the Placing Programme are set out in Part 5 and Part 6 (*The Initial Issue* and *The Placing Programme*) of this Prospectus.

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## ATRATO ONSITE ENERGY PLC

*(Incorporated in England and Wales with company number 13624999 and registered as an investment company under section 833 of the Companies Act 2006)*

**Initial Placing, Offer for Subscription and Intermediaries Offer for a target issue of 150 million Ordinary Shares at 100 pence per Ordinary Share**

**and**

**Placing Programme of up to 350 million new Ordinary Shares and/or C Shares (less the number of Ordinary Shares issued pursuant to the Initial Issue)**

*Investment Adviser*

**Atrato Partners Limited**

*Global Coordinator, Sole Bookrunner and Intermediaries Offer Adviser*

**Alvarium Securities Limited**

*Sponsor*

**Dickson Minto W.S.**

*AIFM*

**JTC Global AIFM Solutions Limited**

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Applications will be made for the new Ordinary Shares and/or the C Shares to be issued in connection with the Initial Issue and the Placing Programme (the **Issue Shares**) to be admitted to trading on the main market for listed securities of the London Stock Exchange (**Main Market**) and to listing on the premium listing segment of the Official List of the FCA (the **Official List**) at the relevant Admission, with applications to be made in connection with the Ordinary Shares issued pursuant to the Initial Issue at Initial Admission. It is expected that Initial Admission will become effective and that dealings in the Ordinary Shares which are the subject of the Initial Issue will commence on 23 November 2021.

The Placing Programme will remain open until 31 October 2022 or such earlier time at which the maximum number of Issue Shares to be issued pursuant to the Placing Programme has been issued (or such other date as may be agreed between Alvarium

Securities Limited (**Alvarium Securities**) and the Company (such agreed date to be announced by way of an RIS announcement)).

The Company and the Directors, whose names appear on page 45 of this Prospectus, accept full responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import.

Capitalised terms contained in this Prospectus shall have the meanings set out in the section entitled "**Definitions**" in this Prospectus, save where the context requires otherwise.

This Prospectus does not constitute an offer to sell or issue, or the solicitation of an offer to purchase, subscribe for or otherwise acquire, Issue Shares in any jurisdiction where such an offer or solicitation would be unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the AIFM or the Investment Adviser. The distribution of this Prospectus and the offer of the Issue Shares in certain jurisdictions may be restricted by law. Other than in the United Kingdom, no action has been or will be taken to permit the possession, issue or distribution of this Prospectus (or any other offering materials or publicity relating to the Issue Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this Prospectus, nor any other offering materials or publicity relating to the Issue Shares may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus (or any other offering materials or publicity relating to the Issue Shares) comes should inform themselves about and observe any such restrictions.

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

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

**Neither the United States Securities and Exchange Commission (the SEC) nor any securities regulatory authority of any state or other jurisdiction of the United States has approved or disapproved of the Issue Shares or passed upon the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.**

In addition, until 40 days after the commencement of the Initial Issue or any Subsequent Placing, an offer, sale or transfer of the Issue Shares within the United States by a dealer (whether or not participating in the Initial Issue or any Subsequent Placing) may violate the registration requirements of the US Securities Act.

The offer and sale of the Issue Shares have not been and will not be registered under the applicable securities laws of Australia, Canada, Japan or the Republic of South Africa. The Issue Shares may not be offered or sold within Australia, Canada, Japan or the Republic of South Africa or to any national, resident or citizen of Australia, Canada, Japan or the Republic of South Africa unless an exemption from any registration or prospectus requirement is available.

The Issue Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations and under the Articles. Any failure to comply with such restrictions may constitute a violation of applicable securities laws and may subject the holder to the forced transfer provisions set out in the Articles. For further information on restrictions on transfers of the Issue Shares, prospective investors should refer to the sections entitled "Representations, Warranties and Undertakings" in Part 5 and Part 6 (*The Initial Issue* and *The Placing Programme*) and "The Articles: Transfer of Shares" in Part 8 (*Additional Information*) of this Prospectus.

Alvarium Securities is authorised and regulated in the United Kingdom by the FCA. Dickson Minto W.S. (the **Sponsor**) is authorised and regulated in the United Kingdom by the FCA. Each of Alvarium Securities and the Sponsor is acting exclusively for the Company and for no one else in connection with Initial Admission, any Subsequent Admission, the Initial Issue, the Placing Programme and any other arrangements referred to in this Prospectus. Neither Alvarium Securities nor the Sponsor will be responsible to anyone other than the Company for providing the protections afforded to its clients, nor for providing advice in relation to Initial Admission, any Subsequent Admission, the Initial Issue, the Placing Programme or any matters referred to herein.

Apart from the responsibilities and liabilities, if any, which may be imposed on Alvarium Securities and the Sponsor by FSMA, or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regime would be illegal, void or unenforceable, neither Alvarium Securities nor the Sponsor accepts any responsibility whatsoever and makes no representation or warranty, express or implied, as to the contents of this Prospectus, including its accuracy or completeness or for any other statement made or purported to be made by any of them or on their behalf

in connection with the Company, Initial Admission, any Subsequent Admission, the Initial Issue, the Placing Programme, the contents of this Prospectus, or any transaction or arrangement referred to in this Prospectus or the Issue Shares and nothing contained in this Prospectus is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. Each of Alvarium Securities and the Sponsor does not assume any responsibility for the accuracy, completeness or verification of this Prospectus and accordingly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise be found to have in respect of this Prospectus or any such statement.

In connection with the Initial Issue and the Placing Programme, Alvarium Securities and its Affiliates, acting as investor(s) for its or their own account(s), may subscribe for Issue Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or other related investments in connection with the Initial Issue or the Placing Programme or otherwise. Accordingly, references in this Prospectus to the Issue Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, Alvarium Securities and any of its Affiliates acting as investor(s) for its or their own account(s). Neither Alvarium Securities nor any of its Affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

This Prospectus is dated 1 November 2021.

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## SUMMARY

<b>1.</b>	<b>Introduction</b>
<b>a.</b>	<b>Name and ISIN of securities</b>
	The ISIN of the Ordinary Shares to be issued under the Initial Issue and the Placing Programme is GB00BN497V39 and the SEDOL is BN497V3.
<b>b.</b>	<b>Identity and contact details of the issuer</b>
	<p>Name: Atrato Onsite Energy plc, incorporated in England and Wales with registered number 13624999 (the <b>Company</b>). Legal Entity Identifier (LEI): 213800IE1PPREDIIZB62</p> <p>Address: 6th Floor, Bastion House, 140 London Wall, London, EC2Y 5DN.</p> <p>Tel: +44 (0) 20 3697 5353</p>
<b>c.</b>	<b>Identity and contact details of the competent authority</b>
	<p>Name: Financial Conduct Authority</p> <p>Address: 12 Endeavour Square, London, E20 1JN</p> <p>Tel: +44 (0) 20 7066 8348</p>
<b>d.</b>	<b>Date of approval of the prospectus</b>
	1 November 2021
<b>e.</b>	<b>Warnings</b>
	<p>This summary should be read as an introduction to the prospectus of the Company dated 1 November 2021 (the <b>Prospectus</b>). Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the prospective investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Issue Shares.</p>
<b>f.</b>	<b>Use of the prospectus by financial intermediaries</b>
	<p>The Company consents to the use of the Prospectus in connection with any subsequent resale or final placement of the Ordinary Shares in the United Kingdom in relation to the Intermediaries Offer only by Intermediaries who are appointed by the Company, a list of which will appear on the Company's website.</p> <p>Such consent is given for the offer period which is from the date any Intermediaries are appointed to participate in connection with any subsequent resale or final placement of the Ordinary Shares until the closing of the period for the subsequent resale or final placement of the Ordinary Shares at 11.00 a.m. on 18 November 2021, being the date upon which the Intermediaries Offer closes, unless closed prior to that date.</p> <p><b>Any Intermediary that uses the Prospectus must state on its website that it uses the Prospectus in accordance with the Company's consent and the conditions attached thereto. Any application made by investors to any Intermediary is subject to the terms and conditions imposed by that Intermediary.</b></p> <p><b>Information on the terms and conditions of any subsequent resale or final placement of Ordinary Shares by any Intermediary is to be provided at the time of the offer by the Intermediary.</b></p> <p>The Company accepts responsibility for the information in the Prospectus with respect to any subscriber for Ordinary Shares pursuant to any subsequent resale or final placement of Ordinary Shares by Intermediaries appointed by the Company. Alvarium Securities has been engaged as an adviser to the Company in relation to the Intermediaries Offer and will be responsible for liaising directly with potential financial intermediaries and processing applications made by Intermediaries in relation to the Intermediaries Offer. Information with respect to Intermediaries appointed after the date of the Prospectus will be available on the Company's website at <a href="http://www.atratoroof.com">www.atratoroof.com</a>.</p>
<b>2.</b>	<b>Key information on the issuer</b>
<b>a.</b>	<b>Who is the issuer of the securities?</b>
<b>i.</b>	<b>Domicile and legal form, LEI, applicable legislation and country of incorporation</b>

	<p>The Company is a public limited company, registered and incorporated in England and Wales under the Companies Act 2006 (the <b>Companies Act</b>) on 16 September 2021 with registered number 13624999. The Company's LEI is 213800IE1PPREDIIZB62. The Company is registered as an investment company under section 833 of the Companies Act and intends to carry on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010, as amended.</p>
ii.	<p><b>Principal activities</b></p> <p>The principal activity of the Company is to invest in behind-the-meter solar photovoltaic (<b>PV</b>) generation systems and associated infrastructure (<b>Onsite Solar Assets</b>) in accordance with its investment policy and with a view to achieving its investment objective. Behind-the-meter systems are energy assets which are installed at or adjacent to a consumer's property and connected to that consumer's private electrical infrastructure in order to deliver energy to that consumer without the use of a public power grid.</p>
iii.	<p><b>Investment objective and policy</b></p> <p>The Company's investment objective is to: support the net zero agenda whilst delivering capital growth and progressive dividend income to its shareholders; integrate ESG best practice with a focus on investing in new renewable energy capacity and onsite clean energy solutions; and target long-term secure income with limited exposure to wholesale power prices. The Company will seek to achieve its investment objective by investing in Onsite Solar Assets. Each such system will be commercialised through one or more power purchase agreements (<b>PPAs</b>) with a Contract Counterparty connected to the Onsite Solar Asset via a private wire network. Any surplus electricity production will typically be sold by the Company to the public power grid. The Company may also make investments in Other Clean Energy Technologies up to a maximum of 30 per cent. of the Company's Gross Asset Value (calculated at the time of investment).</p>
iv.	<p><b>Major Shareholders</b></p> <p>As at the date of the Prospectus, there are no persons known to the Company who, directly or indirectly, will be interested in 3 per cent. or more of the Company's issued share capital or voting rights on Initial Admission.</p> <p>Pending the allotment of Ordinary Shares pursuant to the Initial Issue, the Company is controlled by Atrato Group Limited, which directly holds the Company's only issued Ordinary Share and therefore 100 per cent. of the voting rights in the Company.</p> <p>On Initial Admission, the Company is not aware of any person who will directly or indirectly, jointly or severally, exercise or could exercise control over the Company. The Company is not aware of any arrangement, the operation of which may at a subsequent date result in a change of control of the Company. All Shareholders have the same voting rights in respect of the share capital of the Company.</p>
v.	<p><b>Directors:</b> Juliet Davenport (Chair); Marlene Wood; and Faye Goss.</p>
vi.	<p><b>Statutory auditors:</b> BDO LLP of 55 Baker Street London W1U 7EU.</p>
b.	<p><b>What is the key financial information regarding the issuer?</b></p>
	<p>As the Company has been recently incorporated and has not commenced operations, no financial statements have been made up and no annual reports have been published. This Prospectus does not contain pro forma financial information. The Company will commence operations subject to and following Initial Admission.</p>
c.	<p><b>What are the key risks that are specific to the issuer?</b></p>
	<ul style="list-style-type: none"> <li>The Company is recently established and has no operating history. An investment in the Company is therefore subject to all the risks and uncertainties associated with a new business, including the risk that the Company will not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence.</li> <li>The Company has not entered into any legally binding contractual arrangements to acquire any Clean Energy Assets. Although the Investment Adviser has identified the Pipeline Assets, there can be no assurance that any of the Pipeline Assets will remain available for purchase or progression after Initial Admission, or, if available at what price such investments can be made by the Company. Any delay in the deployment of the Net Initial Proceeds or the proceeds of any Subsequent Placing would reduce the Company's earnings which could have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Issue Shares.</li> <li>The success of the Company will depend on the ability of the Investment Adviser to pursue the Company's investment policy successfully and on broader market conditions. The Investment Adviser may not be successful in pursuing the Company's investment policy or may not be able to identify and complete investments on attractive terms, generate the target or any investment returns for the Company's investors or avoid investment losses.</li> <li>The Company's expectation that it will generate returns for its investors, and its statements concerning target dividend yield and target total return are based on various assumptions about market conditions, tax rules, the economic environment and the availability and performance of the Company's investments. These may not</li> </ul>

	<p>prove to be accurate in the future and the Company may not be able to deliver returns, as such ability could be adversely affected by any of a number of factors.</p> <ul style="list-style-type: none"> <li>• The Company expects to invest in Clean Energy Assets for which the revenues may be dependent upon a contract with an onsite user and revenues for such assets will therefore be dependent on onsite users making payments and otherwise complying with their contractual obligations under the relevant contracts.</li> <li>• Prior to an acquisition of or investment in any Clean Energy Asset or any entity that holds a Clean Energy Asset or rights to install a Clean Energy Asset, the Company and its advisers (including the Investment Adviser) will undertake commercial, financial, technical and legal due diligence on the assets. Notwithstanding that such due diligence is undertaken, such due diligence may not uncover all of the material risks affecting the relevant asset or entity, as the case may be, and/or such risks may not be adequately protected against in the acquisition or investment documentation.</li> <li>• The Company will invest in Clean Energy Assets that are in the installation or pre-installation phase or otherwise require future capital expenditure. Delays in installation may result in a reduction in returns caused by a delay in the relevant Clean Energy Asset generating revenue.</li> <li>• The ability of the Company to achieve its investment objective depends heavily on the experience of the Investment Adviser's team, and more generally on the ability of the Investment Adviser to attract and retain suitable staff. The Board will have broad discretion to monitor the performance of the Investment Adviser or to appoint a replacement but the performance of the Investment Adviser or that of any replacement cannot be guaranteed.</li> <li>• A significant proportion or potentially all of the Clean Energy Assets originated or acquired by the Group will be located on commercial and industrial properties, to which entitlement will be secured through a lease agreement or other property rights. Reliance upon a third-party owned property gives rise to a range of risks including deterioration in the property during the investment life, interruption in access to the electricity grid (where applicable), damages or other lease related costs, counterparty and third-party risks in relation to the lease agreement and property, termination of the lease following breach or due to other circumstances such as a mortgagee taking possession of the property.</li> <li>• The Company and its investments may be materially affected by conditions in the global financial markets and economic conditions, including, but not limited to, rising interest rates, inflation and deflation, business and consumer confidence, availability of credit, currency exchange rates and controls, trade barriers, commodity prices and tax rates. There is also a risk that corporation or other tax rates may increase further as governments seek to finance deficits arising from, amongst other things, the consequences of the COVID-19 pandemic. These matters are all outside the Company's control and may affect the valuation of its investments</li> <li>• An element of the attractiveness for an onsite user agreeing to the location of a solar PV asset at its property is the ability in some markets, including Great Britain, to avoid certain charges and levies that are charged for supply of electricity to a site but which are not chargeable where the electricity is generated on site. There can be no assurance such rules or exemptions will continue to apply and any such changes may reduce the attractiveness of Onsite Solar Assets to potential users.</li> <li>• Any change in the tax status of any member of the Group, or in taxation legislation or practice in the United Kingdom or other jurisdictions to which the Company has exposure, could adversely affect the value of investments in the Company's portfolio and the Company's ability to achieve its investment objective, or alter the post-tax returns to Shareholders.</li> </ul>
<b>3.</b>	<b>Key information on the securities</b>
<b>a.</b>	<b>What are the main features of the securities?</b>
<b>i.</b>	<p><b>Type, class and ISIN of the securities being admitted to trading on a regulated market</b></p> <p>The securities that may be issued under the Initial Issue are Ordinary Shares of £0.01 each in the capital of the Company (<b>Ordinary Shares</b>), whose ISIN is GB00BN497V39.</p> <p>The securities that may be issued under the Placing Programme are Ordinary Shares, whose ISIN is GB00BN497V39 and/or C shares of £0.10 each in the capital of the Company (<b>C Shares</b>), whose ISIN is GB00BNBQZC43.</p>
<b>ii.</b>	<p><b>Currency, denomination, par value, number of securities issued and term of the securities</b></p> <p>The Ordinary Shares are denominated in pounds Sterling and have a nominal value of £0.01 each. The C Shares are denominated in pounds Sterling and have a nominal value of £0.10 each.</p> <p>The Ordinary Shares issued pursuant to the Initial Issue will be issued at an issue price of 100 pence per Ordinary Share. Up to 150 million Ordinary Shares may be issued pursuant to the Initial Issue.</p> <p>Up to a maximum of 350 million Ordinary Shares and/or C Shares (less the number of Ordinary Shares issued pursuant to the Initial Issue) may be issued pursuant to the Placing Programme. Ordinary Shares issued under any Subsequent Placing under the Placing Programme will be issued at the prevailing Net Asset Value per Ordinary Share plus a premium to cover the costs and expenses of such issue. C Shares issued under the Placing Programme will be issued at an issue price of 100 pence per C Share.</p> <p>The Ordinary Shares and the C Shares have an infinite term.</p>

iii.	<p><b><i>Rights attached to the securities</i></b></p> <p>The Ordinary Shares and the C Shares will, when issued and fully paid, have the following rights attaching to them:</p> <ul style="list-style-type: none"> <li>• on a show of hands at a general meeting every member present in person has one vote and every proxy or representative present who has been duly appointed by a member entitled to vote has one vote; and on a poll every member (whether present in person or by proxy or representative) has one vote per Ordinary Share or C Share of the relevant class. For Shareholder resolutions in respect of amendments to the articles or in respect of a winding-up of the Company, each class of Shares will also vote as a separate class. For all other resolutions, the holders of Ordinary Shares and each class of C Shares shall vote as one class;</li> <li>• the right to receive dividends on a <i>pari passu</i> basis declared by the Directors in respect of that class of Shareholders, such dividend being payable out of the assets attributable to such class of Shares as the Directors may determine; and</li> <li>• if the Company is wound up, the Company's assets attributable to each class of Shares remaining after payment of all creditors are to be divided among the Ordinary Shareholders and the C Shareholders of the relevant class in the proportion to the capital which at the start of the winding-up is paid up on the relevant class of Shares held by them, respectively (subject to the provisions on seniority upon a winding-up or a return of capital prior to conversion as detailed below).</li> </ul> <p><i>Conversion of any class of C Shares to be issued pursuant to a Subsequent Placing</i></p> <p>Pursuant to the Articles, a class of C Shares issued pursuant to a Subsequent Placing will convert into new Ordinary Shares within two months from the earlier of: (A) the close of business on the date on which the Board becomes aware or is notified by the Investment Adviser that at least 80 per cent. of the relevant net proceeds of the relevant Subsequent Placing have been invested in accordance with the Company's investment policy; (B) the date that is 12 months following the relevant Subsequent Admission; or (C) the close of business on the last Business Day prior to the day on which the Directors resolve that any force majeure circumstance has arisen or is imminent.</p>
iv.	<p><b><i>Relative seniority of the securities</i></b></p> <p>The C Shares are ordinary shares and will, when issued and fully paid, rank equally in all respects with the existing Ordinary Shares, save in respect of rights to dividends and in respect of a winding-up of the Company. The capital and assets of the Company shall on a winding-up or on a return of capital prior, in each case, to conversion be applied as follows: (A) first, the Ordinary Share surplus shall be divided amongst the holders of the Shares <i>pro rata</i> according to their holdings of Ordinary Shares; and (B) secondly, the C Share surplus attributable to each class of C Shares shall be divided amongst the holders of the C Shares of such class <i>pro rata</i> according to their holdings of the relevant class of C Shares.</p>
v.	<p><b><i>Restrictions on free transferability of the securities</i></b></p> <p>There are no restrictions on the free transferability of the Ordinary Shares, subject to compliance with applicable securities laws and the restrictions on transfer contained in the Company's Articles.</p> <p>Under the Articles, the Board may refuse to register a transfer of a share in certificated form which is not fully paid, or a share in uncertificated form where it is entitled to refuse to register the transfer under the CREST Regulations.</p> <p>The Directors may also refuse to register a transfer of a share in certificated form unless the instrument of transfer: (A) is lodged, duly stamped, at the registered office of the Company or such other place as the Board may decide and is accompanied by the certificate for the shares to which it relates and such other evidence of title as the Board may reasonably require to show the right of the transfer to make the transfer, (B) it is in respect of only one class of share and (C) it is not in favour of more than four joint transferees.</p> <p>There are also certain limited circumstances in which the Board may, under the Articles and subject to certain conditions, compulsorily require the transfer of shares.</p>
vi.	<p><b><i>Dividend policy</i></b></p> <p>The Company is targeting:</p> <ol style="list-style-type: none"> <li>1. an annualised dividend of 5 pence per Ordinary Share for the first and second financial years following Initial Admission. The Company will seek to grow the dividend progressively thereafter, setting a dividend target for each financial year at the time of publication of the Company's annual report and accounts for the preceding year; and</li> <li>2. an annual NAV Total Return target of 8 to 10 per cent. over the medium term. This assumes average leverage over the medium-term at 40 per cent., and will be calculated based on the increase in NAV over a 12 month period from the Company's financial year end of 30 September, plus the total dividends paid during the period.</li> </ol> <p>The target dividend and target NAV Total Return set out above are targets only and are not profit forecasts. There can be no assurance that these targets can or will be met. These targets have been developed based upon assumptions with respect to future business decisions and conditions that are subject to change, including the Company's execution of its investment objective and strategies, as well as growth in the sector and markets in which the Company operates. As a result, the Company's actual results may vary from the targets set out above and those variations may be material. The Company does not undertake to publish updates as to its progress towards achieving any of these targets, including as it may be impacted by events or circumstances existing or arising after the date of this Prospectus or to reflect the occurrence of unanticipated events or circumstances.</p>



	The Company's financial year end is 30 September and distributions on the Ordinary Shares are expected to be paid quarterly each year, and are expected to be made by way of interim dividends to be declared in January, April, July and October, with the first quarterly dividend expected to be declared in respect of the period from Initial Admission to 31 March 2022 and paid in May 2022.				
b.	<b>Where will the securities be traded?</b>				
	<p>Applications will be made (i) to the FCA for the Ordinary Shares issued pursuant to the Initial Issue to be admitted to listing on the premium listing segment of the Official List and (ii) to the London Stock Exchange for the Ordinary Shares issued pursuant to the Initial Issue to be admitted to trading on the Main Market. It is expected that Initial Admission will become effective and that dealings for normal settlement in the Ordinary Shares will commence at 8.00 a.m. on 23 November 2021.</p> <p>Applications will be made (i) to the FCA for any Ordinary Shares and/or C Shares issued under the Placing Programme to be admitted to listing on the premium listing segment of the Official List and (ii) to the London Stock Exchange for such Shares to be admitted to trading on the Main Market. It is expected that any Subsequent Admission will become effective and that dealings for normal settlement in any Ordinary Shares and/or C Shares issued under a Subsequent Placing under the Placing Programme will commence between 24 November 2021 and 31 October 2022 (or any earlier date on which the Placing Programme is fully subscribed, or as otherwise determined by the Directors). All Ordinary Shares and/or C Shares issued under the Placing Programme will be allotted conditionally upon the relevant Subsequent Admission occurring.</p>				
c.	<b>What are the key risks that are specific to the securities?</b>				
	<p><b>Key risks relating to the Company's Shares</b></p> <ul style="list-style-type: none"> <li>The value of an investment in the Company, and the returns derived from it, if any, may go down as well as up and an investor may not get back the amount originally invested;</li> <li>The market price of the Ordinary Shares and/or C Shares may fluctuate independently of their Net Asset Value and the Ordinary Shares and/or C Shares may trade at a discount or premium to their respective Net Asset Value at different times; and</li> <li>It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Ordinary Shares and/or C Shares. The Company is a closed-ended investment company and Shareholders have no right to have their Ordinary Shares and/or C Shares redeemed or repurchased by the Company at any time. Accordingly, Shareholders may be unable to realise their Ordinary Shares and/or C Shares at the quoted market price (or at the prevailing Net Asset Value per Ordinary Share and/or C Share, where applicable), or at all.</li> </ul>				
4.	<b>Key information on the offer of securities to the public and admission to trading on a regulated market</b>				
a.	<b>Under which conditions and timetable can I invest in this security?</b>				
i.	<p><b>General terms and conditions</b></p> <p>The Initial Issue comprises an initial placing by Alvarium Securities, an offer for subscription and an intermediaries offer.</p> <p>The Initial Issue is conditional on, among other things: (A) Initial Admission occurring and becoming effective by 8.00 a.m. (London time) on 23 November 2021 (or such later time and date, not being later than 31 January 2022, as the Company, the Investment Adviser, Alvarium Securities and the Sponsor may agree); (B) the Placing Agreement becoming unconditional in respect of the Initial Placing and not having been terminated in accordance with its terms on or before the Initial Admission; and (C) the Minimum Gross Initial Proceeds being raised. If the Minimum Gross Initial Proceeds are not raised the Initial Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA. If the Initial Issue does not proceed, monies received will be returned without interest at the risk of the applicant.</p> <p>Each Subsequent Placing under the Placing Programme will be conditional on, among other things: (A) the relevant Subsequent Admission occurring and becoming effective by 8.00 a.m. (London time) on such date as the Company specifies, not being later than the Final Closing Date; (B) the applicable Placing Programme Price being determined by the Directors; (C) a valid supplementary prospectus being published by the Company if such is required by the UK Prospectus Regulation; and (D) the Placing Agreement not having been terminated in accordance with its terms before the relevant Admission.</p>				
ii.	<p><b>Expected timetable</b></p> <table> <tr> <th>Event</th><th>Time and Date</th></tr> <tr> <td>Publication of the Prospectus</td><td>1 November 2021</td></tr> </table>	Event	Time and Date	Publication of the Prospectus	1 November 2021
Event	Time and Date				
Publication of the Prospectus	1 November 2021				

	<p>Latest time and date for applications under the Offer for Subscription 1.00 p.m. on 17 November 2021</p> <p>Latest time and date for applications from the Intermediaries under the Intermediaries Offer 11:00 a.m. on 18 November 2021</p> <p>Latest time and date for applications under the Initial Placing 2.00 p.m. on 18 November 2021</p> <p>Announcement of results of the Initial Issue 19 November 2021</p> <p>Expected date of Admission of the Ordinary Shares issued pursuant to the Initial Issue 8.00 a.m. on 23 November 2021</p> <p>Ordinary Shares issued pursuant to the Initial Issue issued and credited to CREST account as soon as reasonably practicable on 23 November 2021</p> <p>Placing Programme opens 24 November 2021</p> <p>Despatch of definitive share certificates for Ordinary Shares in certificated form issued pursuant to the Initial Issue within 10 Business Days of Initial Admission</p> <p>Placing Programme closes 31 October 2022</p> <p>The times and dates set out in the expected timetable and mentioned throughout this Summary may, in certain circumstances, be adjusted by the Company (with the prior approval of Alvarium Securities and the Sponsor). In the event that such dates and/or times are changed, the Company will notify investors who have applied for Ordinary Shares pursuant to the Initial Issue of changes to the timetable either by post, by electronic mail or by the publication of a notice through a Regulatory Information Service to the London Stock Exchange.</p> <p>The Placing Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares and/or C Shares over a period of time. The Placing Programme is expected to open on 24 November 2021 and will close on 31 October 2022 (or an earlier date on which it is fully subscribed, or otherwise at the discretion of the Directors).</p>
iii.	<p><b>Details of admission to trading on a regulated market</b></p> <p>Applications will be made: (A) to the FCA for the Issue Shares to be admitted to listing on the premium listing category of the Official List and; (B) to the London Stock Exchange for the Issue Shares to be admitted to trading on the London Stock Exchange's Main Market. It is expected that Initial Admission will become effective and that dealings on the London Stock Exchange in the Ordinary Shares issued pursuant to the Initial Issue will commence on 23 November 2021. It is expected that Admission of further Ordinary Shares and/or C Shares issued under the Placing Programme will become effective, and that dealings in such Ordinary Shares and/or C Shares will commence, during the period from 24 November 2021 to 31 October 2022.</p>
iv.	<p><b>Plan for distribution</b></p> <p>The Company is targeting an issue of 150 million Ordinary Shares at the Issue Price pursuant to the Initial Issue. The Ordinary Shares will be made available for subscription pursuant to the Initial Issue by way of the Initial Placing, the Offer for Subscription and the Intermediaries Offer.</p> <p>The Directors are authorised to issue up to 350 million Ordinary Shares and/or C Shares pursuant to the Placing Programme (less the number of Ordinary Shares issued pursuant to the Initial Issue). The Placing Programme is intended to be flexible and may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares and/or C Shares over a period of time. The number of Ordinary Shares and/or C Shares available under the Placing Programme should not be taken as an indication of the number of Ordinary Shares and/or C Shares that will be issued.</p> <p>Any issues of Ordinary Shares and/or C Shares under the Placing Programme will be notified by the Company through a Regulatory Information Service prior to each Subsequent Admission.</p>
v.	<p><b>Amount and percentage of immediate dilution resulting from the Issue</b></p> <p>The Initial Issue will not result in dilution. If 200 million Issue Shares were to be issued pursuant to Subsequent Placings (being the maximum number of Shares that the Directors will be authorised to issue under the Placing Programme if 150 million Ordinary Shares are issued on Initial Admission)) and assuming that: (A) 150 million Ordinary Shares had been issued on Initial Admission; (B) no other Ordinary Shares had been issued; and (C) the relevant investor did not participate in any Subsequent Placings, an investor holding 1 per cent. of the Company's issued share capital after the Initial Issue would then hold 0.4 per cent. of the Company's issued share capital following completion of all the Subsequent Placings.</p>

vi.	<p><b><i>Estimate of the total expenses of the Initial Issue and Subsequent Placings</i></b></p> <p>The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue are expected to be approximately £3 million, equivalent to approximately 2 per cent. of the Gross Initial Proceeds, assuming Gross Initial Proceeds of £150 million. The costs will be deducted from the Gross Initial Proceeds. It is expected that the starting Net Asset Value per Ordinary Share will be approximately 98 pence. All expenses incurred by any Intermediary are for its own account. Investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer.</p> <p>The costs and expenses relating to the Placing Programme are those that arise from, or are incidental to, the issue of Ordinary Shares and/or C Shares pursuant to Subsequent Placings. It is estimated that the costs and expenses of each Subsequent Placing will be approximately 2 per cent. of the gross proceeds of the relevant Subsequent Placing. The costs and expenses of issuing Ordinary Shares pursuant to any Subsequent Placing will be covered by issuing such Ordinary Shares at a premium to the prevailing published Net Asset Value per Ordinary Shares at the time of issue. The costs and expenses of any issue of C Shares under the Placing Programme will be paid out of the gross proceeds of such issue and will be borne by holders of C Shares only. No fees or expenses in relation to any placing under the Placing Programme will be charged directly to investors.</p>
vii.	<p><b><i>Estimated expenses charged to the investor</i></b></p> <p>The Company will not charge investors any separate costs or expenses in connection with the Initial Issue or any Subsequent Placing.</p>
b.	<p><b>Why is this prospectus being produced?</b></p>
i.	<p><b><i>Reasons for the offer</i></b></p> <p>The Initial Issue and the Placing Programme are being made in order to provide investors with the opportunity to invest in onsite solar PV generation systems and associated infrastructure.</p>
ii.	<p><b><i>The use and estimated net amount of the proceeds</i></b></p> <p><i>Initial Issue</i></p> <p>The actual number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Gross Initial Proceeds, is not known as at the date of the Prospectus but will be notified by the Company via a Regulatory Information Service prior to Initial Admission. Assuming 150 million Ordinary Shares are issued pursuant to the Initial Issue, the Gross Initial Proceeds are expected to be £150 million and the Net Initial Proceeds are expected to be £147 million. The Company will invest the Net Initial Proceeds in accordance with the Company's investment objective and investment policy and for working capital purposes.</p> <p><i>The Placing Programme</i></p> <p>The net proceeds of the Placing Programme are dependent, amongst other things, on the Directors determining to proceed with a Subsequent Placing under the Placing Programme, the level of subscriptions received, the price at which such relevant Issue Shares are issued and the costs of the Subsequent Placing. The Directors intend to use the net proceeds of any Subsequent Placing for investment in accordance with the Company's investment objective and investment policy and for working capital purposes.</p>
iii.	<p><b><i>Underwriting</i></b></p> <p>Neither the Initial Issue nor any Subsequent Placing is being underwritten.</p>
iv.	<p><b><i>Material conflicts of interest</i></b></p> <p>There are no material conflicts of interest in relation to the Initial Issue or the Placing Programme.</p>

## **RISK FACTORS**

An investment in the Ordinary Shares and/or C Shares carries a number of risks, including the risk that the entire investment may be lost. In addition to all other information set out in this document, the following factors should be considered when deciding whether to make an investment in the Ordinary Shares and/or C Shares. The risks set out below are those which are considered to be the material risks relating to the Company and an investment in the Ordinary Shares and/or C Shares but are not the only risks relating to the Ordinary Shares and/or the C Shares or the Company. No guarantee can be given that Shareholders will realise a profit on, or recover the value of, their investment in the Shares. It should be remembered that the price of securities and the income from them can go down as well as up.

Prospective investors should note that the risks relating to the Company, its investment strategy and operations and the Ordinary Shares and C Shares summarised in the section of this document headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares and/or C Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described in this "Risk Factors" section of this document. Additional risks and uncertainties not currently known to the Company or the Directors or that the Company or the Directors consider to be immaterial as at the date of this document may also have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors and, consequently, the Company's Net Asset Value and/or the market price of the Ordinary Shares and/or C Shares. Further, as required by the UK Prospectus Regulation, the risk that the Company and the Directors consider to be the most material risk in each category, taking into account the negative impact on the Company and the probability of its occurrence, has been set out first. Given the forward-looking nature of the risks, there can be no guarantee that such risk is, in fact, the most material or the most likely to occur. Prospective investors should, therefore, review and consider each risk.

The Ordinary Shares and C Shares are only suitable for investors who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in Shares is part of a diversified investment programme and who fully understand and are willing to assume the risks involved in such an investment.

Potential investors in the Ordinary Shares and/or C Shares should review this document carefully and in its entirety and consult with their professional advisers prior to making an application to subscribe for Shares.

### **A. RISKS RELATING TO THE COMPANY**

#### **The Company has no operating history**

The Company is recently established and has no operating history. Accordingly, there are no historical financial statements or other meaningful operating or financial data with which to evaluate the Company and its performance. An investment in the Company is therefore subject to all the risks and uncertainties associated with a new business, including the risk that the Company will not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence.

#### **The Company may face delays in the deployment of the Net Initial Proceeds**

The Company has not entered into any legally binding contractual arrangements to acquire any Clean Energy Assets. Although the Investment Adviser has identified the Pipeline Assets, which are consistent with the Company's investment objective and investment policy, there can be no assurance that any of the Pipeline Assets will remain available for purchase or investment after Initial Admission, or, if available at what price (if a price can be agreed at all) such investments can be acquired or progressed by the Company. The making of an investment in any of the Pipeline Assets or any other Clean Energy Assets

will be conditional upon, amongst other things, receipt of all necessary consents, approvals, authorisations and permits, the Company deciding to proceed with the opportunity, the Company being able to finance the purchase price or capital costs for a particular investment, satisfactory completion of due diligence and the entering into of binding agreements in a form satisfactory to all the parties thereto, including the Company, any or all of which may delay completion of the acquisition or installation of the relevant asset.

Any delay in the deployment of the Net Initial Proceeds or the proceeds of any Subsequent Placing would reduce the Company's earnings which could have a material adverse effect on the Company's profitability, the Net Asset Value and the market price of the Shares. Pending deployment of the Net Initial Proceeds or the proceeds of any Subsequent Placing, the Company intends to invest cash in cash deposits and cash equivalents for cash management purposes. Interim cash management is likely to yield materially lower returns than the expected returns from investments.

**The Company has no employees and is reliant on the performance of third-party service providers**

The Company has no employees and the Directors have been appointed on a non-executive basis. Whilst the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Company is reliant upon the performance of third-party service providers for its executive functions. In particular, the Investment Adviser, the AIFM, the Company Secretary and the Registrar will be performing services that are integral to the operation of the Company (including, without limitation, fund accounting services and the preparation of financial statements). Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment or the termination of these agreements could have an adverse effect on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

**B. RISKS RELATING TO THE INVESTMENT POLICY**

**The Company may not achieve its investment objective and investors may not get back the full value of their investment**

The success of the Company will depend on the ability of the Investment Adviser to pursue the Company's investment policy successfully and on broader market conditions. The Investment Adviser may not be successful in pursuing the Company's investment policy or may not be able to identify and complete investments on attractive terms, generate the target or any investment returns for the Company's investors or avoid investment losses.

The investment objective of the Company is an objective only. Failure to achieve the Company's investment objective could occur because of a failure to acquire or progress prospective Clean Energy Assets in accordance with the Company's investment policy or a failure to acquire or progress Clean Energy Assets on favourable terms. Such failures are likely to have an adverse effect on the value of the Company's portfolio, target returns and financial condition, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

**The Company may fail to deliver its target returns**

The Company's expectation that it will generate returns for its investors, and its statements concerning target dividend yield and target total return are based on various assumptions about market conditions, tax rules, the economic environment and the availability and performance of the Company's investments. These may change or not prove to be accurate in the future. The Company may not be able to deliver returns, as such an ability could be adversely affected by any of a number of factors including, but not limited to: changes in the clean energy sector in which the Company intends to invest; new advances in technology; interest and exchange rates; changes to law and government regulations; changes to financial market conditions or the economic environment; the non or under-performance of any of the Company's investments, and the manifestation of risks described elsewhere in this Risk Factors section.

The origination of new asset opportunities will be a key component of the Company's investment strategy with a significant proportion the Company's target NAV Total Return expected to be generated from the NAV appreciation expected to be derived from origination premiums and the use of leverage by the Group. Failure to originate new Clean Energy Asset investment opportunities in accordance with the Company's investment policy or the failure to realise NAV uplifts from origination activities or the addition of leverage could have an adverse effect on the Company's target returns and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

### **Risks relating to financial modelling and assumptions**

Investment valuation and investment decisions will be based on financial projections and assumptions for the Clean Energy Assets in which the Company invests. Such assumptions may change from time to time. Projections will primarily be based on the Investment Adviser's assessment and on macro-economic forecasts provided by industry experts and are only estimates of future cash flows based on assumptions made at the time of the projection.

The Company's half-yearly Net Asset Value calculations will be based on estimates provided by the Investment Adviser. The financial information relating to the Company's portfolio of Clean Energy Assets which informs these valuations will be derived from management information provided by the Investment Adviser. Only the year end Net Asset Value will be audited on a regular basis.

Actual results may vary significantly from the projections and assumptions may not always prove to be correct. This includes those assumptions made by the Investment Adviser for operational performance (including energy yields at the pre-installation stage) and forecasts provided by independent industry experts for future power prices. The variance between assumptions and actual cash flows may have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

The Company cannot guarantee the accuracy of meteorological forecasting or the reliability of the forecasting models, or that data collected will be indicative of future meteorological conditions. Forecasting can be inaccurate due to meteorological measurement errors, or errors in the assumptions applied to the forecasting model and, in particular, forecasters look at long-term data and there can be short-term fluctuations.

The Company's Net Asset Value in particular will be affected by assumptions about the applicable discount rates at each lifecycle phase of a Clean Energy Asset and the potential for reductions in the applied discount rate as an asset progresses from the pre-installation phase through to operation. The Company may find that such reductions in discount rate are not supportable and therefore that expected growth in Net Asset Value is not achievable or that the returns are less than the Directors' current expectations. Changes in interest rates may also affect the valuation of the Company's portfolio of Clean Energy Assets by impacting the Company's cost of capital and/or valuation discount rate.

Clean Energy Assets acquired by the Company may fail to meet its expectations and forecasts. The prices at which the Company invests in its assets will be determined by the Directors' and Investment Adviser's expectations and operational assumptions of the economics of such assets so that the returns available to the Company are acceptable. Should the operation and economics of the assets fall short of the expectations of the Directors and the Investment Adviser, there could be a material adverse effect on the returns to the Company.

### **Risks associated with gearing**

The Group may use borrowings for working capital purposes, acquisition and investment purposes. While the use of borrowings should enhance the total return on the Ordinary Shares where the return on the Company's portfolio of Clean Energy Assets exceeds the cost of borrowing, it will have the opposite effect where the return on the Company's portfolio of Clean Energy Assets is lower than the cost of borrowing. The use of borrowings by the Group will increase the volatility of the Net Asset Value per Ordinary Share.

Any amounts that are secured under a bank facility or other lending will rank ahead of Shareholders' entitlements and on foreclosure Shareholders may not recover all or any of their initial investment.

To the extent that a fall in the value of the Company's portfolio of Clean Energy Assets causes gearing to rise to a level that is not consistent with the Company's borrowing and gearing policy, borrowing limits or loan covenants, the Company may have to sell investments in order to reduce borrowings. Such investments may be difficult to realise and therefore the market price which is achievable may give rise to a significant loss of value compared to the book value of the Clean Energy Assets, as well as a reduction in income from the Company's portfolio of Clean Energy Assets.

Macroeconomic events may have a significant impact on the credit markets, the availability of debt and/or the terms upon which that debt is available. The Company may find it difficult, costly or not possible to refinance future indebtedness as it matures or the terms become more expensive. Further, if interest rates are higher when any relevant indebtedness is refinanced, the Group's finance costs could increase. Any of the foregoing events may have a material adverse effect on the Company's profitability, the Net Asset Value and the market price of the Shares and may lead to Shareholder dilution as a result of further equity capital raisings by the Company or the forced sales of assets.

The Group may incur debt with a floating rate of interest and be exposed to interest rate risk due to fluctuations in prevailing interest rates. An increase in interest rates will increase the floating rate interest cost borne by the Group and reduce the valuation of the relevant Clean Energy Asset. The Group may hedge or partially hedge interest rate exposure on borrowings. However, such measures may not be sufficient to protect the Group from adverse movements in prevailing interest rates to the extent exposures are unhedged or hedges are inadequate to offer full protection. If exposures are hedged, interest rate movements may lead to mark-to-market movements which may be positive or negative and upon breaking of such hedges may cause crystallisation of gains or losses. In addition, hedging arrangements expose the Company to credit risk in respect of the hedging counterparty. Increased exposure to interest movements may have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

#### **Availability of and competition for appropriate investments that accord with the Company's investment policy**

The success of the Company's investment activities depends on the Investment Adviser's ability to identify suitable investment opportunities and the availability of such investment opportunities. Identification and exploitation of the investment strategies to be pursued by the Company involves a high degree of uncertainty. No assurance can be given that the Investment Adviser will be able to secure suitable investment opportunities. Changes in the broader clean energy market, as well as other market factors, may reduce the scope for the Company's investment strategies. Additionally, the Investment Adviser will compete on behalf of the Company with other parties for Clean Energy Assets. Therefore, even when a suitable investment opportunity is identified, there can be no assurance that such opportunity will be available at all or at a price or upon terms and conditions (including financing) that the Investment Adviser considers satisfactory. Any delay in the deployment of the Net Initial Proceeds or the proceeds of any Subsequent Placing would reduce the Company's earnings which could have a material adverse effect on the Company's profitability, the Net Asset Value and the price of the Shares.

#### **Investor returns will be dependent upon the performance of the Company's portfolio of Clean Energy Assets and the Company may experience fluctuations in its operating results**

Returns achieved will be reliant primarily upon the performance and valuation of the Company's portfolio of Clean Energy Assets. The Group may experience fluctuations in its operating results due to a number of factors, including changes in the values of investments in the Company's portfolio of Clean Energy Assets from time to time, changes in revenues, operating expenses, defaults by counterparties, fluctuations in foreign exchange and interest rates, availability and liquidity of investments, the degree to which it encounters competition and general economic and market conditions. Specific market conditions may result in occasional or permanent reductions in the value of a Clean Energy Asset. Such variability may have a material adverse effect of the Company's profitability, the Net Asset Value and the market price of the Shares and may cause the Company's results for a particular period not to be indicative of its performance in a future period.

## **Market value of investments and valuations**

Returns from the Company's investments will be affected by the price at which they are acquired or developed. The value of these investments will be (amongst other factors) a function of the discounted value of their expected future cash flows, and as such will vary with, *inter alia*, movements in interest rates and the competition for such assets.

A valuation is only an estimate of value and is not a precise measure of realisable value. Ultimate realisation of the market value of an asset depends to a great extent on economic and other conditions beyond the control of the Company, and valuations do not necessarily represent the price at which an investment can be sold or that the Company's Clean Energy Assets are saleable, readily or otherwise.

All calculations made by the Investment Adviser will be made, in part, on valuation information provided by the companies in which the Group has invested and, in part, on financial reports provided by the Investment Adviser. Although the Investment Adviser will evaluate all information and data provided by the companies in which the Group has invested, it may not be in a position to confirm the completeness, genuineness or accuracy of such information or data, nor may such information be up to date by the time it has been received by the Company. Only the year end Net Asset Value will be audited on a regular basis and Shareholders should bear in mind that the actual Net Asset Value may be materially different from the half-yearly estimates.

## **C. RISKS RELATING TO THE COMPANY'S INVESTMENT STRATEGY**

### **Contract Counterparty credit risk**

The Company expects to invest in Clean Energy Assets for which the revenues may be dependent upon an agreement with an onsite user of the Clean Energy Asset. For example, in the case of Onsite Solar Assets the revenues will be dependent on onsite users that have contracted under PPAs to pay for electricity generated by the Onsite Solar Assets paying for such electricity and otherwise complying with their contractual obligations under the relevant PPAs. If such counterparties do not fulfil their contractual obligations, the Company may be forced to seek recourse against them. If such counterparties become insolvent there is a risk that compensation claims would not be met and/or that the Company will be unable to enter into alternative revenue generating contracts in respect of the relevant Clean Energy Asset with subsequent users at the relevant site. Although the Company will have a diversified portfolio of contractual counterparties, any such issue affecting several significant counterparties could have a material adverse effect on the Company's business, financial condition and results of operations.

### **Risks relating to power prices**

The Company may make investments in Clean Energy Assets with exposure to power prices. For example, where an Onsite Solar Asset produces more electricity than required by the onsite user, the Onsite Solar Asset may export the surplus generation for sale to a licensed supplier. Whether users located at the proposed site of a Clean Energy Asset are prepared to accept a proposed price for the use of that Clean Energy Asset may also depend, in part, on power prices generally. In the case of an Onsite Solar Asset, for example, where retail power prices otherwise available to that user are lower, an onsite user may be less attracted to entering into an agreement to purchase electricity from an Onsite Solar Asset at a price sufficient to generate target returns for the Company.

The market price of electricity is volatile and is affected by a variety of factors, including market demand for electricity, the generation volume and mix of power plants, government support for various forms of power generation, carbon pricing, fluctuations in the market prices of commodities (particularly gas), the ongoing impact of COVID-19, incidents impacting the performance of other generators and network infrastructure and foreign exchange. It is possible that power prices may be negative at certain times of oversupply of power to the grid.

To the extent exposure to power prices is materially relevant to the valuation of the Group's Clean Energy Assets, the Investment Adviser will use independent third party forecasts of future electricity prices, which are generally produced quarterly. The exposure of the valuation of the Group's assets to changes in electricity prices will be reduced where the output of the Clean Energy Asset is contracted



under a long-term, fixed price arrangement, such as a PPA for the purchase of generation from an Onsite Solar Asset.

Future electricity prices, and the forecasts made of them as at the date of this Prospectus, are affected by the balance of electricity supply and demand, the capital costs and efficiency of generating plant and the marginal cost of generation. Governments' evolving plans to decarbonise energy sectors and wider economies are expected to have a significant impact on future electricity supply and demand. Recent policy developments include the European New Green Deal, the European COVID-19 Recovery Fund and the UK Energy White Paper. On the supply side, it is anticipated that forecasters are likely to attribute greater likelihood to governments' ambitions for a larger build-out of renewable energy assets being delivered, particularly as the practicalities of deployment, such as permitting timescale and build capacity, seem more likely to be overcome with political willpower. Consequently, the forecasters are likely to place greater weight on governments' ambitions in their updates to electricity price forecasts.

Increasing assumptions around the build-out rate of renewable energy assets without commensurate increases in electricity demand would reduce electricity price forecasts. Further detail that will shape these forecasts is expected from the UK government in the run up to, and following the agreements made at, the 26th UN Climate Change Conference scheduled to be held in Glasgow, Scotland, in November 2021 (**COP26**). On the demand side, many factors could lead to changes in market demand for electricity, including changes in consumer demand patterns. An increase in the proportion of renewable energy in the electricity mix, usage of smart grids, a rise in demand for electric vehicle charging capacity and residential participation in renewable energy generation could all impact demand levels and patterns for electricity, as well as the associated price.

There is both a risk that actual future electricity prices are substantially different to the forecast and that the forecast of future power prices (and actual prices) may change substantially, either of which has the potential to have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

#### **General counterparty credit risk and reliance on contractor services**

The Company expects to rely on third-party professionals and independent contractors, suppliers and other companies to provide the required pre-installation, installation and operational and maintenance support services and equipment throughout the pre-installation, installation and operating phases of the Clean Energy Assets in which it invests. If such contracted parties are not able to fulfil their contractual obligations, the Company may be forced to seek recourse against such parties, provide additional resources to complete their work, or to engage other companies to complete their work.

While the performance of equipment and contractor services will be subject to guarantees or warranties, any such guarantees or warranties are expected to be limited in their scope and quantum and may not always cover the full loss of profit or additional cost incurred by a project. Failure of a contractor or supplier may among other things result in the relevant Clean Energy Asset underperforming or becoming impaired in value and there can be no assurance that such underperformance or impairment will be fully or partially compensated by any contractor or supplier warranty or guarantee.

In addition, contractors or suppliers may be unable to meet their guarantee or warranty obligations in respect of acquired or developed projects, in whole or in part, due to production, economic or financial difficulties or for other reasons.

Any such circumstances could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

The Company's ability to invest in and operate Clean Energy Assets could be adversely affected if the contractors and suppliers with whom the Company wishes to work do not have sufficient capacity to work with the Company on its chosen projects or deliver the required supplies. In addition, if a contractor's work or supplied equipment was not of the requisite quality, this could have an adverse effect on the Clean Energy Assets in which the Company is invested and might not only reduce financial returns but could adversely affect the Company's reputation.

Where an installation or an operation and maintenance contractor, or any other contractor or supplier, needs replacing, whether due to expiry of an existing contract, insolvency, poor performance or any other reason, the Company will be required to appoint a replacement contractor or supplier. Any such replacement contractor or supplier may be more expensive and there is a further risk that finding a suitable contractor or supplier may take a long time, which could potentially lead to installation delays or downtime for the relevant Clean Energy Asset. This could have a material adverse effect on the Company's financial position, results of operation and business prospects.

In addition, the Company will be exposed to other third-party credit risk in several instances, including, without limitation, with respect to property owners or tenants that are leasing (directly or otherwise) roof or ground space to the Company for the locating of Onsite Solar Assets or other Clean Energy Assets, banks that may provide guarantees of the obligations of other parties or that may commit to provide leverage to the Company at a future date, insurance companies that may provide coverage against various risks applicable to the Company's assets (including the risk of terrorism or natural disasters affecting the assets) and other third parties that may owe sums to the Group. In the event that such credit risk crystallises in one or more instances (for instance, an insurer which grants coverage becomes insolvent as a result of claims made due to a natural disaster by several persons insured by it and the investment is, consequently, unable to make substantial recovery under its own insurance policy with such insurer), this may materially adversely impact on the investment returns.

### **Risks relating to the supply chain for Clean Energy Asset component parts**

Articles in the UK press earlier this year commented that approximately 40 per cent. of UK solar projects were built using panels sourced from leading Chinese firms that are now being linked to the use of forced labour in the Xinjiang region, reports of which first began emerging in the years following the apparent commencement of the systemic detention of the Uyghurs in 2016. Whilst the Company and the Investment Adviser have procedures in place to combat forced labour, human trafficking and child labour concerns, the due diligence undertaken in respect of the procurement process may not identify some or all cases of modern slavery associated with the production of component parts for the Clean Energy Assets. Adverse press coverage relating to the supply chains for component parts of Clean Energy Assets, including solar PV panels, which may be involved in the use of forced labour or other examples of modern slavery may have an adverse impact on investor perception of the UK clean energy (including solar) market generally and its participants, including the Company, which in turn may have a material adverse impact on demand for the Company's shares and the price at which the Company's shares trade.

## **D. RISKS RELATING TO MAKING INVESTMENTS IN CLEAN ENERGY ASSETS**

### **Risk relating to due diligence**

Prior to an acquisition of or investment in any Clean Energy Asset or any entity that holds a Clean Energy Asset or rights to install a Clean Energy Asset, the Company and its advisers (including the Investment Adviser) will undertake commercial, financial, technical and legal due diligence on the assets. Notwithstanding that such due diligence is undertaken, such due diligence may not uncover all of the material risks affecting the relevant asset or entity, as the case may be, and/or such risks may not be adequately protected against in the acquisition or investment documentation.

The Company may acquire or invest in Clean Energy Assets with unknown liabilities and without any recourse, or with limited recourse, with respect to unknown liabilities. However, if an unknown liability were later asserted against the assets, the Group might be required to pay substantial sums to settle it or enter into litigation proceedings, which could adversely affect cash flow and the results of its operations. Accordingly, in the event that material risks are not uncovered and/or such risks are not adequately protected against, this may have a material adverse effect on the Company.

Technical analysis of the design, build quality, lifecycle costs and asset life will be undertaken by the technical advisers appointed by the Group in connection with any proposed acquisition or investment. It is not intended that the equipment and systems purchased or installed will rely substantially on new technology and it is expected that they will have a track record in other solar PV and other clean energy

assets. Even so, components such as cabling, PV panels, inverters and control systems amongst others can fail and repair or replacement costs, in addition to the costs of lost production, can be significant.

### **Risks relating to Pre-Installation Assets**

A significant proportion (by number) of the Pipeline Assets consists of Pre-Installation Assets which are assets which do not yet have in place all the necessary consents, rights and agreements to proceed to the installation phase. There is a risk that Pre-Installation Assets may take more time than anticipated to develop into Installation Assets, or that Pre-Installation Assets never develop into Installation Assets, including as a result of delay in securing or failure to secure the necessary consents, rights and agreements or as a result of changes in the price of key components or a lack of supplies or contractors which affect the economics of the proposed project to the extent that it is not progressed to the installation stage.

Should a significant proportion of the Pre-Installation Assets fail to progress to become Installation Assets this could have a material adverse effect on the Company's ability to deliver its investment strategy and consequently on the Company's financial position, results of operations, business prospects and returns to investors.

### **Risks relating to Clean Energy Assets in installation**

While the Company typically seeks to enter into contracts for installation of Clean Energy Assets which have a fixed price and fixed delivery dates, there may be circumstances in which the contract price is subject to amendment and any resulting increases in the cost of installation may have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors. Furthermore, delays in installation may result in a reduction in returns caused by a delay in the relevant Clean Energy Asset generating revenue. While the Company will typically seek to ensure that strong warranties and termination rights are in place with the contractor to compensate the Company for such losses, there can be no guarantee that these will be sufficient to cover such losses or that such payments will be received.

### **Acquisition risk**

A seller will typically provide various warranties for the benefit of the buyer and its funders in relation to the acquisition of any Clean Energy Asset. Such warranties will be limited in extent and are typically subject to disclosure, time limitations, materiality thresholds and liability caps and to the extent that any loss suffered by the buyer arises outside the warranties or such limitations or caps are exceeded, it will be borne by the buyer, which may adversely affect the income received in respect of the relevant Clean Energy Asset. This could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

### **The Company may be subject to liability following the disposal of an investment**

The Company may be exposed to future liabilities and/or obligations with respect to any Clean Energy Assets that it sells. The Company may be required or may consider it prudent to set aside provisions for warranty claims or contingent liabilities in respect of the disposal of any Clean Energy Assets. The Company may be required to pay damages to a purchaser to the extent that any warranties given to a purchaser prove to be inaccurate or to the extent that the Company breaches any of its covenants or obligations contained in the disposal documentation. In certain circumstances, warranties incorrectly given could give rise to a right by the purchaser to unwind the contract in addition to the payment of damages.

The Company may become involved in disputes or litigation in connection with investments it has sold. Certain obligations and liabilities associated with the ownership of investments can also continue to exist notwithstanding any sale, such as certain environmental liabilities.

Any claims, litigation or continuing obligations in connection with the sale of any Clean Energy Assets may subject the Company to unanticipated costs and may require the AIFM and the Investment Adviser to devote considerable time to dealing with them. As a result, any such claims, litigation or obligations

may have a material adverse effect on the Company's profitability, the Net Asset Value and/or the market price of the Shares.

#### **Risks relating to not acquiring 100 per cent. of an asset**

The Company may not always be able, for structural or commercial reasons, to acquire a 100 per cent. equity interest in the Clean Energy Assets which it acquires. Although it does not intend to acquire stakes in assets that will not give it effective control of the acquired asset, the Group may do so in the future and minority holdings in acquired assets may hamper the Group's ability to control such assets and may also reduce the future returns to the Company.

#### **Unsuccessful transaction costs**

The Company may incur substantial legal, technical, financial and other advisory expenses arising from unsuccessful transactions, including expenses incurred in connection with transaction documentation and due diligence.

### **E. RISKS RELATING TO THE INVESTMENT ADVISER AND THE AIFM**

#### **The success of the Company is dependent on the Investment Adviser and its expertise, key personnel, and ability to source and advise appropriately on investments**

The ability of the Company to achieve its investment objective depends heavily on the experience of the Investment Adviser's team, and more generally on the ability of the Investment Adviser to attract and retain suitable staff. The Board will have broad discretion to monitor the performance of the Investment Adviser or to appoint a replacement but the performance of the Investment Adviser or that of any replacement cannot be guaranteed.

The Investment Adviser may allocate some of its resources to activities in which the Company is not engaged or key personnel could become unavailable due, for example, to death or incapacity, as well as due to resignation. There may be regulatory changes in the areas of tax and employment that affect pay and bonus structures and may have an impact on the ability of the Investment Adviser to recruit and retain staff. In the event of any departure for any reason, it may take time to transition to alternative personnel, which ultimately might not be successful. The departure of key personnel and any failure to appoint suitable replacement(s) may have an adverse impact on the ability of the Investment Adviser to achieve the investment objective of the Company and this could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

#### **There can be no assurance that the Board would be able to find a replacement investment adviser if the Investment Adviser were to resign or the Investment Advisory Agreement were to be terminated**

Under the terms of the Investment Advisory Agreement, the Investment Adviser may resign as the Company's and the AIFM's investment adviser by giving the Company not less than 12 months' written notice, such notice not to be served earlier than the end of the minimum term of 5 years. Further, the Investment Advisory Agreement may be terminated immediately upon notice by the Investment Adviser or by the Company and the AIFM in certain circumstances.

The Board would, in such circumstances, have to find a replacement investment adviser for the Company. There can be no assurance that a replacement with the necessary skills and experience would be available and could be appointed on terms acceptable to the Company and the AIFM. If the Investment Advisory Agreement is terminated and a suitable replacement is not secured in a timely manner, this could have an adverse effect on the Company's portfolio of Clean Energy Assets and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares.

**The past performance of investments made by the Investment Adviser/Management Team is not a guarantee or an indication of the future performance of the Company**

The information contained in this Prospectus relating to the prior performance of investments made by the Investment Adviser/Management Team is being provided for illustrative purposes only and is not indicative of the likely performance of the Company. In considering the prior performance information contained in this Prospectus, prospective investors should bear in mind that past performance is not necessarily indicative of future results and there can be no assurance that the Company will achieve comparable results or be able to avoid losses.

**Operational risks may disrupt the business of the Company's service providers, result in losses or limit the Company's growth**

The Company relies heavily on the financial, accounting and other data processing systems of the Investment Adviser, the AIFM and the Company Secretary. If any of these systems do not operate properly or are disabled, the Company could suffer financial loss or reputational damage. A disaster or a disruption in the infrastructure that supports the Company, or a disruption involving electronic communications or other services used by the Investment Adviser, the AIFM, the Company Secretary or other third parties with whom the Company conducts business, could have a material adverse impact on the ability of the Company to continue to operate its business without interruption. The disaster recovery programmes used by the Investment Adviser, the AIFM, the Company Secretary or other third parties with whom the Company conducts business may not be sufficient to mitigate the harm that may result from such disaster or disruption.

**The Company's service providers' information and technology systems may be vulnerable to cyber security breaches**

The information and technology systems of the Investment Adviser, the AIFM and the Company Secretary or the Company's other service providers may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorised persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Company's service providers have implemented various measures to manage risks relating to these types of events, if relevant information and technology systems are compromised, become inoperable for extended periods of time or cease to function properly, significant investment may be required to fix or replace them. The failure for any reason of these systems and/or of disaster recovery plans could cause significant interruptions in the service providers' and/or the Company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors. Such a failure could harm the service provider's and/or the Company's reputation, subject any such entity and its Affiliates to legal claims and otherwise affect its business and financial performance. This could have an adverse effect on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares.

**Reputational risks, including those arising from litigation against the Atrato Group or the Company, may disrupt the Company's investment strategy and growth**

The Company may be exposed to reputational risks, including from time to time the risk that litigation, misconduct, operational failures, negative publicity and press speculation (whether or not valid) may harm the reputation of the Atrato Group or the Company. If the Atrato Group or the Company is named as a party to litigation or becomes involved in regulatory inquiries, this could cause substantial reputational damage to the Atrato Group and the Company and result in potential counterparties and other third parties being unwilling to deal with the Atrato Group and/or the Company. Damage to the reputation of the Atrato Group and/or the Company may disrupt the Company's investment strategy, business or potential growth, which could have an adverse effect on the Company's portfolio of Clean Energy Assets and on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares.

**The AIFM, the Investment Adviser and their Affiliates may provide services to other clients which could compete directly or indirectly with the activities of the Company and may be subject to conflicts of interest in respect of their activities on behalf of the Company**

The AIFM, the Investment Adviser and their Affiliates may be involved in other activities which on occasion may give rise to conflicts of interest with the Company. In particular: (i) the AIFM, the Investment Adviser or their respective Affiliates may invest in, manage and/or advise other funds and may provide investment management, investment advisory or other services in relation to these funds or future funds which may have similar investment policies to that of the Company; (ii) the AIFM, the Investment Adviser and their Affiliates may carry on investment activities for their own accounts and for other accounts in which the Company has no interest; and (iii) the AIFM, the Investment Adviser and their Affiliates may give advice and recommend investments to other managed accounts or investment funds which may differ from advice given to, or investments recommended or bought for, the Company, even though their investment policies may be the same or similar. If these conflicts of interest are managed to the detriment of the Company by the AIFM or the Investment Adviser they could materially and adversely affect the performance of the Company.

## **F. RISKS RELATING TO OPERATIONS OF THE GROUP AND ITS CLEAN ENERGY ASSETS**

### **Risks relating to property matters**

A significant proportion or potentially all of the Clean Energy Assets originated or acquired by the Group will be located on commercial and industrial properties, to which entitlement will be secured through a lease agreement or other property rights. Reliance upon a third-party owned property gives rise to a range of risks including deterioration in the property during the investment life, interruption in access to the electricity grid (where applicable), damages or other lease related costs, forfeiture (or disclaimer) of any headlease, other counterparty and third-party risks in relation to the lease agreement and property and termination of the lease following breach or due to other circumstances such as a mortgagee taking possession of the property. Whilst the Company seeks to minimise these risks through appropriate insurances, lease negotiation and site selection there can be no guarantee that any such circumstances will not arise and result in losses to the investment.

### **Risks relating to the Group's failure to perform its contractual obligations**

The Group will assume obligations to counterparties under the contractual arrangements it enters into in relation to the operation of its Clean Energy Assets, including obligations under PPAs to deliver certain minimum levels of performance. Whilst the Group intends to pass on responsibility for the performance of these obligations to other third-party contractors, such as installation and operations and maintenance contractors, to the extent that the Group is unable to back-to-back such obligations or the relevant third-party contractor fails to perform their services in accordance with their contracts with the Group, the Group could be liable for damages or compensation and this could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

### **Weather related risks**

The profitability of Onsite Solar Assets and certain other Clean Energy Assets is dependent on the meteorological conditions at the particular site. Accordingly, the Company's revenues will be dependent upon the meteorological conditions at the locations of the relevant Clean Energy Assets owned by the Group. Variations in meteorological conditions include fluctuations in the levels of sunlight and cloud cover, on a daily, monthly and seasonal basis, and over the long-term as a result of more general changes in climate.

In particular, the Company will invest in Onsite Solar Assets. Solar PV assets rely upon adequate solar radiation as "feedstock" for the purposes of producing power. Although there is evidence that variance in annual solar radiation is statistically relatively low compared to some other renewable energy sources such as wind, it is possible that temporary or semi-permanent or permanent changes in weather patterns, including as a result of climate change or for any other reason, could affect the amount of solar radiation received annually or during any shorter or longer period of time in locations where the Company's Onsite Solar Assets may be located. Such changes could lead to a reduction in the electricity generated which would have a material adverse effect on the Company's financial position, results of

operations, business prospects and returns to investors. Such changes, perceived or otherwise, could also make Onsite Solar Assets and certain other Clean Energy Assets in which the Company invests less attractive as an investment opportunity and so impair the Company's potential returns which could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

### **Risks relating to technology and operations**

Whilst the Investment Adviser will procure that appropriate legal and technical due diligence is undertaken on behalf of the Company in connection with any proposed acquisition or origination of Clean Energy Assets, this may not reveal all facts that may be relevant in connection with an investment. In particular operating projects which have not been properly authorised or permitted may be subject to closure, seizure, enforced dismantling or other legal action. Failure in the installation of a Clean Energy Asset - for example, faulty components or insufficient structural quality - may not be evident at the time of acquisition or completion of the installation or during any period during which a warranty claim may be brought against the contractor and may result in loss of value without full or any recourse to insurance or installation warranties. Investors' attention is also drawn to the risk factor under the heading "General counterparty credit risk and reliance on contractor services" above.

In addition, operational Clean Energy Assets remain subject to on-going risks, some of which may not be fully insured or fully protected by contractor or manufacturer warranties, including but not limited to security risks, technology failure, manufacturer defects, electricity grid forced outages or disconnection, force majeure or acts of God. Whilst clean energy technology has been utilised for many years manufacturers continue to develop and change technology and this may result in unforeseen technology failures or redundancy.

Any unforeseen loss of performance and/or efficiency in a Clean Energy Asset beyond the warranted or assumed degradation would have a direct effect on the yields produced by the relevant Clean Energy Asset and, as a consequence, could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors. Furthermore, should recourse against the vendor or installer of such an asset or an original equipment supplier be sought by the Company, this could also have a material adverse effect on the Group's financial position, results of operations, business prospects and returns to investors.

### **Risks relating to absence of direct connection of Clean Energy Assets to the electricity distribution network**

It is likely that Clean Energy Assets such as Onsite Solar Assets which operate or export electricity will not have a direct connection to the distribution or transmission grid (on the basis that the onsite user will consume the energy output and that any excess will be exported to the grid via the connection of the onsite user). If the onsite user does not comply with contractual arrangements relating to the export of such electricity and the Company's access to the grid connection point, then the Company may be forced to seek recourse against them. Without a separate direct grid connection for the Clean Energy Asset the Company may not be able to mitigate the impact of such non-compliance by the onsite user as the Company's ability to export electricity to the wider power market would be reliant on the onsite user. Any such issue could have a material adverse effect on the Company's business, financial condition and results of operations.

### **Events beyond the control of the Company may reduce revenue generation below expectations**

Events beyond the control of the Company, such as acts of God (including fire, flood, earthquake, storm, hurricane, pandemic or other natural disasters), war, insurrection, civil unrest, strikes, public disobedience, computer and other technological malfunctions, telecommunication failures, terrorism, crimes, nationalisation, national or international sanctions and embargoes, could materially adversely affect investment returns.

Natural disasters, severe weather or accidents could damage the Group's assets, which could have a material adverse effect on the Company's financial position, results of operations, business prospects

and returns to investors. Earthquakes, lightning strikes, tornadoes, extreme winds, severe storms, wildfires and other unfavourable weather conditions or natural disasters may damage, or require the shutdown of Clean Energy Assets with a consequent negative impact on the results of operations.

Adverse weather conditions, including hotter ambient temperatures and extreme weather (such as flooding, storms and/or high winds) could reduce the efficiency of solar energy, thereby reducing the Company's revenues from solar PV assets such as the Onsite Solar Assets, which would have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

#### **Risks relating to the price of clean energy asset equipment and components**

The price of equipment and components used by Clean Energy Assets can increase or decrease. The price of equipment and components can be influenced by a number of factors, including the price and availability of raw materials, demand for the relevant equipment and components and any import duties that may be imposed on them. These changes in the costs could have a material adverse effect on the Group's ability to source projects that meet the Company's investment criteria and consequently the Company's business, financial position, results of operations and business prospects.

#### **Risks relating to the operational life span of Clean Energy Assets**

In the event that the solar PV panels or other equipment making up the Clean Energy Assets owned by the Group do not operate for the period of time assumed by the Investment Adviser, require significantly more maintenance expenditure than assumed or perform significantly worse than anticipated, this could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

#### **Risks relating to environmental matters**

Environmental laws and regulations may have an impact on the Company's activities. It is not possible to predict accurately the effects of future changes in such laws or regulations on the Company's financial performance and results of operations. There can be no assurance that environmental costs and liabilities will not be incurred in the future. In addition, environmental regulators may seek to impose injunctions or other sanctions on the Company's operations that may have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

To the extent there are environmental liabilities arising in the future in relation to any sites owned or used by a Clean Energy Asset operating company, including, but not limited to, clean-up and remediation liabilities, such operating company may, subject to its contractual arrangements, be required to contribute financially towards any such liabilities, and the level of such contribution may not be restricted by the value of the sites or by the value of the total investment in the relevant Clean Energy Asset.

#### **Risks relating to harm to the natural environment**

Clean Energy Assets may cause environmental hazards or nuisances to their local human populations, flora and fauna and nature generally. The installation of Clean Energy Assets, the existence of solar PV panels or other equipment or related infrastructure may cause a nuisance to the local (human) population and may also cause harm to the natural environment. The Company cannot guarantee that its Clean Energy Assets will not be considered a source of pollution (for example, PV panels or electrical insulation may contain hazardous materials, although they are sealed under normal operating conditions), nuisance or other environmental harm or that claims will not be made against the Company by, amongst others, the local (human) population in connection with its Clean Energy Assets and their effects on the natural environment and/or human populations. Claims for nuisance can arise due to, amongst others, changes in the local population (sensitivity or location), operational changes (such as deterioration of components), or from aggregation of impacts with new projects constructed subsequently in the vicinity, and irrespective of compliance with limits contained in planning consents or other relevant permits. This could lead to increased cost from legal actions and/or the costs of compliance and/or abatement of the installation or generation activities for affected Clean Energy



Assets. If any such risks materialise, profitability of the Company may be impaired leading to reduced returns for Shareholders.

### **Risks relating to health and safety**

The installation and maintenance of Clean Energy Assets may pose health and safety risks to those involved. The installation and maintenance of Clean Energy Assets may result in bodily injury or industrial accidents. If an accident were to occur in relation to one or more of the Group's assets, the Group could be liable for damages or compensation to the extent such loss is not covered under existing insurance policies. Liability for health and safety could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

### **Risks relating to insurance**

Clean Energy Asset operators generally take out insurance to cover the costs of repairs and business interruption although not all risks are insured or commercially insurable. For example, losses as a result of force majeure, natural disasters, pandemics, terrorist attacks or sabotage, cyber-attacks or environmental contamination may not be available at all or on commercially reasonable terms or a dispute may develop over insured risks. It is not possible to guarantee that insurance policies will cover all possible losses resulting from outages, failure of equipment, repair and replacement of failed equipment, environmental liabilities or legal actions brought by third parties (including claims for personal injury or loss of life to personnel). The uninsured loss, or loss above limits of existing insurance policies, could have an adverse effect on the Company's business, financial position, results of operations and business prospects.

In cases of frequent damage, insurance contracts might be amended or cancelled by the insurance company. If insurance premium costs increase, the Company may not be able to maintain insurance coverage comparable to that currently in effect or may only be able to do so at a significantly higher cost. An increase in insurance premium cost could have an adverse effect on the Company's business, financial position, result of operations and business prospects.

### **Risks relating to maintaining the connections of Clean Energy Assets to the electricity and distribution network**

Where Clean Energy Assets are operated to sell into power markets then the relevant Clean Energy Asset would need to be and remain connected to the distribution or transmission grid to sell its energy output. Therefore, in such cases, the Company will be dependent on electricity connection facilities owned by third parties to sell the electricity produced by its Clean Energy Assets. Typically, the Company will not be the owner of, nor will it be able to control, the transmission or distribution facilities except those needed to interconnect its Clean Energy Assets to the electricity network.

Accordingly, in this context, the relevant Clean Energy Asset would need to have in place the necessary connection agreements and comply with their terms in order to avoid potential disconnection or de-energisation of the relevant connection point. Investors' attention is also drawn to the risk factor under the heading "Risks relating to absence of direct connection of Clean Energy Assets to the electricity distribution network" above.

In addition, in the event that the transmission or distribution facilities break down, the Company may be unable to sell its electricity either via the grid or to an onsite energy user connected to the grid and an Onsite Solar Asset or other Clean Energy Asset and this could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors. The circumstances in which compensation, if any, would be payable where this was due to the fault of the distribution or transmission company are limited and the amounts payable are unlikely to be sufficient to cover any losses of revenue. Thus, the Company would have to rely on business interruption insurance to compensate for its losses, to the extent such insurance is put in place. Business interruption insurance is likely to have a minimum claim amount and not all losses sustained by the Company may be recovered.

## **Risks relating to grid congestion**

As the focus on renewable energy policy has increased, there has been a notable increase in investment in renewable energy projects, inevitably leading to higher demand for grid capacity. This has led to concerns of "grid congestion", where offers of capacity carry significant cost and delay associated with major grid reinforcement. Where a Clean Energy Asset will require grid access, a lack of access to the grid, delays to the availability of grid connections for assets in the installation phase or increased connection charges as a result of the high demand for access could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

## **Risks relating to constraint or curtailment**

Where a Clean Energy Asset relies on a connection to the electricity network, a risk inherent to this is the limited recourse a generator has to the network operator if the Clean Energy Asset is constrained off the system. In certain specified circumstances, a regulated grid operator can require generators (or the electricity suppliers registered as being responsible for their metering systems, or distribution system operators) to curtail their output or de-energise altogether. Large projects which participate in the balancing mechanism would be compensated because the mechanism for curtailment would be to accept a bid/offer pair that has been submitted by the project. However, most smaller projects (including projects in which the Company typically intends to invest) do not participate in the balancing mechanism and therefore may not be compensated for such curtailment or the circumstances in which compensation would be payable are limited and the amounts payable may not be sufficient to cover any actual losses of revenue.

### *Ireland*

Constraint and curtailment have been a particularly prevalent feature of the Irish grid system given limited grid capacity and insufficient levels of demand to absorb increasing levels of renewable energy which are coming online. Constraint and curtailment levels are expected to increase further as more renewable energy comes online in the coming years and for this reason constraints and curtailment will be a particular issue for Onsite Solar Assets located in Ireland.

Investors should note that the position on compensation for constraint and curtailment is likely to change in 2022 as the Irish government implements elements of the EU Clean Energy Package which require compensation for 'non-market based redispatch'. The Commission for Regulation of Utilities (**CRU**) is currently consulting on the implementation of such compensation and so it is not certain exactly what parameters will apply in respect of such compensation (including whether it will apply in respect of both constraints and curtailment and what level of compensation will be available).

With respect to behind-the-meter projects, the levels of constraint and curtailment should only impact on a specific Onsite Solar Asset's ability to export excess electricity to the grid and should not affect onsite generation and onsite demand. However, to the extent that a project is able to export less excess electricity to grid than expected this would have an adverse effect on the revenues generated by that project and consequently on the Group's financial position and results of operations in Ireland.

## **Risk of theft of Clean Energy Assets**

Modules are the most valuable components of solar installations and due to their portability are particularly exposed to the risk of theft. The Company may incur significant damage to its operations due to theft of component parts within its Clean Energy Assets.

While the Group will seek to obtain insurance to cover theft of its modules and also for terrorist acts, political actions and vandalism, such insurance, if obtained, may not prove adequate and this could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

## **G. MACRO RISKS**

### **Risks related to economic conditions**

The Company and its investments may be materially affected by conditions in the global financial markets and economic conditions, including, but not limited to, rising interest rates, inflation and deflation, business and consumer confidence, availability of credit, currency exchange rates and controls, trade barriers, commodity prices and tax rates. There is a risk that corporation or other tax rates may increase further as governments seek to finance deficits arising from, amongst other things, the consequences of the COVID-19 pandemic. These factors are outside the Company's control and may affect the valuation of its investments which may have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

### **Market conditions in the UK and the Republic of Ireland**

The Company will be invested in Clean Energy Assets located predominantly in the UK and the Republic of Ireland. Further, the Company will be subject to the risks associated with concentrating its investments primarily in Onsite Solar Assets. Market conditions, including fluctuations in the supply and demand for, and residual value of, the Clean Energy Assets in which the Company invests may increase illiquidity and scarcity and have a generally negative impact on the ability of the Investment Adviser to identify and execute investments in suitable assets that might generate acceptable returns. Adverse market conditions and their consequences may have a material adverse effect on the Company's portfolio of Clean Energy Assets.

Difficult market conditions, including unanticipated changes to the regulatory framework in which Clean Energy Assets operate, may also adversely affect the operations and financial performance of the Company's assets on a standalone and collective basis. This could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

### **Interest rates**

Interest rates are sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond the control of the Company. Changes in market rates of interest could affect the Company and its Clean Energy Assets in a variety of ways. Changes in the general level of interest rates can affect the spread between, amongst other things, the income on the Company's assets and the expense of its interest-bearing liabilities, the value of its interest-earning assets and its ability to realise gains from the sale of assets (should this be desirable). Changes in interest rates may also affect the valuation of the Company's portfolio of Clean Energy Assets by impacting the valuation discount rate.

The Company may finance the Group's activities with either fixed and/or floating rate debt. With respect to any floating rate debt, the Company's performance may be affected if it does not limit the effects of changes in interest rates on its operations by employing an effective hedging strategy, including engaging in interest rate swaps, caps, floors or other interest rate contracts, or buying and selling interest rate futures or options on such futures. There can be no assurance that such arrangements will be entered into or that they will be sufficient to cover such risk. Such arrangements may even turn out to be to the Company's detriment, depending upon the direction in which the rate changes.

### **Inflation/deflation**

The revenues and costs of Clean Energy Assets are partly or wholly affected by inflation.

The Company's ability to meet its dividend and total return targets and its investment objective may be affected by inflation and/or deflation, although it is also affected by a wide range of other factors. An investment in the Company may not be appropriate for investors solely seeking correlation of investment returns with inflation or deflation.

## **Exposure to commodities prices**

Whilst it is intended that the majority of the Group's revenues will be generated under fixed price long-term PPAs, certain of the Clean Energy Assets in which the Group will invest may be exposed to commodity price risk, including without limitation, the price of electricity and the price of fuel embedded within certain wholesale electricity prices. The operation and cash flows of those assets will depend, in substantial part, upon prevailing market prices for electricity and fuel, and particularly natural gas. These market prices may fluctuate naturally depending upon a wide variety of factors, including, without limitation, weather conditions, foreign and domestic market supply and demand, force majeure events, changes in law or regulatory regimes, price and availability of alternative fuels and energy sources, international political conditions including those in the Middle East, Russia, actions of the Organization of Petroleum Exporting Countries (and other oil and natural gas producing nations) and overall economic conditions.

## **Risks associated with the effects of the Coronavirus Disease 2019 (COVID-19) pandemic**

The effects of the outbreak of the Coronavirus Disease 2019 (**COVID-19**) in December 2019, which was declared a pandemic by the World Health Organization on 11 March 2020, on the clean energy market and the global economy in general cannot be reliably assessed as at the date of this Prospectus. Market volatility and/or a period of recession caused by the outbreak of the COVID-19 pandemic may have an adverse effect on Clean Energy Assets, including the Clean Energy Assets in which the Company intends to invest. This could have a material adverse effect on the Company's financial position, results of operations, business prospects, availability of personnel and equipment and returns to investors.

## **H. REGULATORY, POLITICAL AND LEGAL RISKS APPLICABLE TO THE RENEWABLE ENERGY SECTOR**

### **Risk of loss of supply licence or similar exemptions**

An element of the attractiveness for an onsite user agreeing to the location of a solar PV asset at its property is the ability in some markets, including Great Britain, to avoid certain charges and levies that are charged for supply of electricity to a site but which are not chargeable where the electricity is generated on site. There can be no assurance such rules or exemptions will continue to apply. Any such changes may reduce the attractiveness of Onsite Solar Assets to potential users or, if applied retrospectively, could cause disputes with users regarding allocation of such charges. Consequently, this could have an adverse impact on the Company's financial position, results of operations, business prospects and returns to investors.

### **Risk of reliance on government subsidies and incentives**

A proportion of the Group's Clean Energy Assets may from time to time benefit from government subsidies and incentives. Many countries have provided subsidies in the form of feed-in tariffs and other incentives to power plant owners, distributors and system integrators in order to promote the use of renewable energy. The benefits gained from these government subsidies and incentives may reduce over time as the government subsidies and incentives expire, phase out over time, terminate upon the exhaustion of the allocated government funding or require renewal by the applicable authority. The government subsidies and incentives may also be amended by governments due to changing market circumstances (such as market price fluctuations or the oversupply of produced electricity), changes to national, state or local public-sector fiscal circumstances, or changes to national, state or local energy or other policies, including but not limited to the revocation of or alteration to the previously agreed subsidy arrangements.

### **Risks relation to regulation of clean energy infrastructure**

Investments in clean energy infrastructure depend to a large extent upon permits or licence requirements and environmental legislation. The clean energy sector is the subject of intense and sometimes rapidly changing regulation in many jurisdictions. Therefore, the Company is exposed to the risk that the competent authorities may pass legislation that might hinder or invalidate rights under existing contracts as well as hinder or impair the obtaining of the necessary permits or licences necessary for Clean Energy Assets in the pre-installation or installation phase, as well as for operating

assets. Furthermore, the relevant licences and permits may be adversely altered, revoked, or in the case of their expirations, not be extended by the relevant authorities. In addition, the competent legislative bodies, authorities or other state or municipal institutions or organisations may in the future amend or repeal existing laws, regulations or guidelines which could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors. Unfavourable energy policies or court judgments, if applied retrospectively, could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

### **Risks relating to network charges**

Network charges (relating to the connection to and use of the electricity transmission and distribution networks and relating to the balancing of electricity supply and demand) will vary from time to time. This is relevant for Clean Energy Assets directly connected to the electrical network. The network charging regime in Great Britain is in the process of being reviewed. There can be no assurance that the modelled cash flows fully reflect all future changes to network charges (from the current review or otherwise) and consequently changes to network charges could have an adverse impact on the Company's financial position, results of operations, business prospects and returns to investors.

### **Risks relating to planning permission and cable routes in Ireland**

The Onsite Solar Assets located in Ireland (and any related infrastructure including cable routes for grid connections) will require planning permission from the relevant planning authority. Investors should note that a court may grant an injunction suspending or preventing works or requiring the Onsite Solar Assets to cease operating if it considers that any development is unauthorised from a planning perspective.

Investors should also note that any grid connections in respect of the Onsite Solar Assets in Ireland which are laid under public roads may require landowner consent because in Ireland the landowner on either side of a public road owns the land underneath such road. This applies regardless of whether the developer has planning permission for this portion of the grid connection route and regardless of authorisations from the CRU to lay cables along public roads. Placing a grid connection on land without landowner consent may be an actionable trespass that can be the subject of court action.

The Company's inability to secure the requisite planning permissions and other consents could have adverse financial consequences on the Group's financial position and results of operations in Ireland.

### **Risks relating to behind-the-meter structures in Ireland**

From an Irish grid connection perspective, behind-the-meter projects such as the Onsite Solar Assets may look to use a "private wire" structure, an "autoproducer" structure, or a combination of both.

A private wire structure is a behind-the-meter structure where generating assets (such as the Onsite Solar Assets) are located on land adjacent to or nearby the demand customer. The generating assets and demand customer are connected by a private wire grid connection (i.e., electrical infrastructure which is separate from the national grid).

The construction of a private wire must be permitted by the CRU. The CRU can only grant permission for the construction of a private wire where an application has been made for connection to the transmission or distribution system and either: (i) the grid connection application was refused on the grounds of lack of capacity, or (ii) the CRU forms the view that it is in the public interest to issue a permission for a private wire.

In effect, this position has meant that no private wires have been built in Ireland to date and, as such, it is not clear whether a private wire structure will be available for the Onsite Solar Assets (or what conditions would apply to such a structure).

Under Irish electricity policy, an autoproducer is:

- (a) a person who has entered into a connection agreement with the relevant system operator, and generates electricity in a single premises, essentially for its own consumption in that single premises; or
- (b) a person, on whose behalf another person generates electricity in a single premises, essentially for the first person's own consumption in that single premises.

The autoproducer in this type of structure will be the demand customer (i.e., the occupier of the premises to which electrical power is provided), irrespective of whether the demand customer itself generates the electricity which it consumes and exports or whether it arranges for another entity to carry out that generation on its behalf. Any electricity imported into or exported from the customer's premises will be attributed to the demand customer.

Use of an autoproducer structure would entail a number of risks. In particular, (i) it would involve a single grid connection agreement which covers both the Onsite Solar Assets and the relevant demand customer (see "Risks relating to absence of direct connection of Clean Energy Assets to the electricity and distribution network" above for risks in relation to this arrangement); (ii) extensive engagement with ESB Networks and EirGrid may be required given the bespoke nature of autoproducer structures; (iii) the ratio of electricity import versus electricity export will determine applicable market charges and this will need to be managed between the Onsite Solar Asset and the relevant demand customer; and (iv) current Irish grid connection policy only makes available a very limited number of grid connections to projects such as autoproducers and so it is possible that it may be difficult for autoproducers to receive a grid connection.

To the extent that the Group is unable to progress a project in Ireland as a result of an inability to secure the necessary consents or grid connection rights this could have adverse financial consequences for the Group's financial position and results of operations in Ireland.

## **I. RISKS RELATING TO THE SHARES**

### **Dividends**

Prospective investors should be aware that the periodic distributions made to Shareholders will comprise amounts periodically received by the Company from its assets, including distributions of operating receipts of investment entities. Although it is envisaged that receipts from the Company's assets over the life of the Company will generally be sufficient to fund such periodic distributions, this is based on estimates and cannot be guaranteed.

The Company's target dividends for the Ordinary Shares are based on assumptions which the Board and the Investment Adviser consider reasonable. However, there is no assurance that all or any assumptions will be justified, and the dividends may be correspondingly reduced or not paid at all. In particular, there is no assurance that the Company will achieve its stated policy on returns and dividends or distributions (which for the avoidance of doubt are guidance only and are not commitments or profit forecasts).

The Company's target dividends will be affected by the Company's underlying investment portfolio. Any change or incorrect assumption in relation to the dividends or interest or other receipts receivable by the Company (including assumptions in relation to projected power prices, levels of solar radiation, availability and operating performance of equipment used in the operation of the Clean Energy Assets within the Company's portfolio, ability to make distributions to Shareholders and tax treatment of distributions to Shareholders) may reduce the level of distributions received by Shareholders. In addition any change in the accounting policies, practices or guidelines relevant to the Company and its investments may reduce or delay the distributions received by investors.

To the extent that there are impairments to the value of the Company's investments that are recognised in the Company's income statement, this may affect the profitability of the Company (or lead to losses) and affect the ability of the Company to pay dividends.

There can be no assurance that any dividends or distributions will be paid in respect of any financial year or period and no guarantee as to the level of any future dividends or distributions to be paid by the Company.

## **Liquidity**

Market liquidity in the shares of investment companies is frequently less than that of shares issued by larger commercial companies traded on the London Stock Exchange. There can be no guarantee that a liquid market in the Ordinary Shares or the C Shares will exist. Accordingly, Shareholders may be unable to realise their Ordinary Shares or C Shares at the quoted market price (or at the prevailing Net Asset Value per Ordinary Share or C Share, as applicable), or at all.

The London Stock Exchange has the right to suspend or limit trading in a company's securities. Any suspension or limitation on trading in the Shares may affect the ability of Shareholders to realise their investment.

## **Discount**

The Shares may trade at a discount to their Net Asset Value and Shareholders may be unable to realise their investments through the secondary market at Net Asset Value. The Shares may trade at a discount to their Net Asset Value for a variety of reasons, including market conditions or to the extent investors undervalue the management activities of the Investment Adviser or discount its valuation methodology and judgments of value. While the Board may seek to mitigate any discount to Net Asset Value at which the Ordinary Shares may trade through discount management mechanisms summarised in Part 1 (*The Company*) of this Prospectus, there can be no guarantee that they will do so or that such mechanisms will be successful and the Board accepts no responsibility for any failure of any such strategy to effect a reduction in any discount.

## **Issue Price of Ordinary Shares under the Placing Programme**

The issue price of the Ordinary Shares issued on a non-pre-emptive basis under any Subsequent Placing under the Placing Programme will not be lower than the Net Asset Value per Ordinary Share at the time of their issue. The issue price of the Ordinary Shares issued under a Subsequent Placing will be calculated by reference to the latest published unaudited Net Asset Value per Ordinary Share. Such Net Asset Value per Ordinary Share will be determined on the basis of the information available to the Company at the time and may be subject to subsequent revisions. Accordingly, there is a risk that, had such issue price been calculated by reference to information that emerged after the calculation date, it could have been greater or lesser than the issue price actually paid by the investors.

## **The Company will in the future issue new equity, which may dilute Shareholders' voting rights**

The Company may seek to issue new equity in the future pursuant to the Placing Programme or otherwise. While the Companies Act contains pre-emption rights for Shareholders in relation to issues of shares in consideration for cash, such rights can be disapplied in certain circumstances and have been disapplied in relation to the maximum amount of Issue Shares that may be issued pursuant to the Placing Programme. Where pre-emption rights are disapplied, any additional equity fundraising will be dilutive to the voting rights of those Shareholders who cannot, or choose not to, participate in such fundraising in their *pro rata* amount.

## **Prior to the conversion of the C Shares into Ordinary Shares at the Conversion Date, C Shareholders will have exposure to a more concentrated portfolio of assets**

Pending conversion of such C Shares into Ordinary Shares, the portfolio of assets attributable to the C Shares (the **C Share Portfolio**) will differ from the portfolio of assets attributable to the Ordinary Shares (the **Ordinary Share Portfolio**) in terms of both performance (the assets in the portfolios will be different) and diversification (the C Share Portfolio will be more concentrated than the Ordinary Share Portfolio pending Conversion).

## **Forced transfer provisions**

The Ordinary Shares and C Shares offered by this Prospectus have not been and will not be registered under the US Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, in or into the United States or to or for the account or benefit of any US Person (within the meaning of Regulation S under the US Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

If any Shares are owned directly, indirectly or beneficially by a person believed by the Board to be a Non-Qualified Holder, the Board may give notice to such person requiring him either (i) to provide the Board within 30 days of receipt of such notice with sufficient satisfactory documentary evidence to satisfy the Board that such person is not a Non-Qualified Holder or (ii) to sell or transfer his Shares to a person who is not a Non-Qualified Holder within 30 days and within such 30 days to provide the Board with satisfactory evidence of such sale or transfer and pending such sale or transfer, the Board may suspend the exercise of any voting or consent rights and rights to receive notice of or attend any meeting of the Company and any rights to receive dividends or other distributions with respect to such Shares. Where condition (i) or (ii) is not satisfied within 30 days after the serving of the notice, the person will be deemed, upon the expiration of such 30 days, to have forfeited his Shares. If the Board in its absolute discretion so determines, the Company may dispose of the relevant Shares at the best price reasonably obtainable and pay the net proceeds of such disposal to the former holder.

For these purposes, a Non-Qualified Holder means any person whose ownership of Shares: (i) may cause the Company's assets to be deemed "plan assets" for the purposes of ERISA or purposes of the US Tax Code; (ii) may cause the Company to be required to register as an "investment company" under the US Investment Company Act (including because the holder of the Shares is not a "qualified purchaser" as defined in the US Investment Company Act); (iii) may cause the Company to register under the US Exchange Act, the US Securities Act or any similar legislation or the Company or the Investment Adviser to register under the US Investment Advisers Act or any similar legislation; (iv) may cause the Company not to be considered a "foreign private issuer" as such term is defined in rule 3b-4(c) under the US Exchange Act; (v) may result in the company losing or forfeiting or not being able to claim the benefit of any exemption under the Commodity Exchange Act, as amended, or any substantially equivalent successor legislation or the rules of the CFTC or the National Futures Association or analogous legislation or regulation or becoming subject to any unduly onerous filing, reporting or registration requirement; (vi) may result in a person holding Shares in violation of the transfer restrictions put forth in any prospectus published by the Company from time to time; (vii) may cause the Company to be a "controlled foreign corporation" for the purposes of the US Tax Code, or may cause the Company to suffer any pecuniary disadvantage (which will include any excise tax, penalties or liabilities under ERISA or the US Tax Code including as a result of the Company's failure to comply with FATCA as a result of a Non-Qualified Holder failing to provide information as requested by the Company in accordance with the Articles); or (viii) may cause the Company (including for such purposes, its subsidiaries) to lose the benefit of, or suffer pecuniary disadvantage as a result of not being able to take advantage of, any applicable withholding tax treaty or similar arrangement.

## **J. TAXATION**

### **Risk of changes in taxation legislation or practice**

Any change in the Company's tax status, or in taxation legislation or practice in the United Kingdom or other jurisdictions into which the Company has invested (including in relation to rates or allowances), could adversely affect the value of investments in the Company's portfolio and the Company's ability to achieve its investment objective, or alter the post-tax returns to Shareholders. Statements in this Prospectus concerning the UK taxation of the Company and of Shareholders are based upon current UK tax law and HMRC published practice, any aspect of which is in principle subject to change that could adversely affect the ability of the Company to pursue successfully its investment policy which as a consequence may have an adverse effect on the value of the Company's portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares. If you are in any doubt as to your tax position you should consult an appropriate independent professional adviser.



A number of countries have beneficial tax and subsidy regimes to support the generation of renewable energy. In at least one instance this regime has been subject to retrospective change by the jurisdiction concerned. Any such change could have a material adverse effect on the financial position, results of operations and business prospects of the Company and the companies through which it invests and on returns to investors.

### **Change in accounting standards, tax law and practice**

The anticipated taxation treatment of the structure of the Company and its underlying investments through subsidiaries is based on prevailing taxation law and accounting practice and standards. Any change in the tax status of any member of the Group or any of its underlying investments or in tax legislation or practice (including in relation to taxation rates and allowances) or in accounting standards could adversely affect the investment return of the Group.

### **Investment trust status**

It is the intention of the Directors to conduct the affairs of the Company so as to satisfy the conditions for approval of the Company by HMRC as an investment trust under section 1158 of the UK Corporation Tax Act 2010 (as amended) and pursuant to regulations made under section 1159 of the UK Corporation Tax Act 2010 (as amended). However, although the application for approval has been submitted to HMRC (conditional on Initial Admission), neither the Investment Adviser nor the Directors can provide assurance that this approval will be maintained at all times. The Company would be treated as an investment trust throughout the accounting period current as at the time the application for approval is made, and will continue to have investment trust status in each subsequent accounting period, unless the Company breaches the investment trust conditions so as to be treated as no longer approved by HMRC as an investment trust, pursuant to the regulations.

Breach of such conditions could, as a result, lead to the Company being subject to UK tax on its chargeable gains. Any changes may have an adverse effect on the value of the Company's portfolio and the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

### **Other tax considerations**

The Company and its subsidiaries may from time to time be subject to withholding taxes with respect to their investments. In the event that withholding taxes are imposed, the effect will generally be to reduce the income received by the Company from such investments. Any reduction in the income received by the Company may lead to a reduction in the dividends, if any, paid by the Company.

It is anticipated that members of the Group may expect to be able to claim a tax deduction for interest paid. There are a number of legislative provisions that could restrict the availability of such tax deductions which exist both in the UK and across the EU. These include legislation governing the corporate interest restriction, unallowable purpose, transfer pricing and thin capitalisation. Any restriction to the tax deductibility of interest for companies within the Group, both in the UK and across the EU, could result in increased tax liabilities for such Group members.

In addition, changes to tax laws implementing or based on recommendations made by the OECD in relation to base erosion and profit shifting or as a result of the European Commission's Anti-Tax Avoidance Directive (Directive (EU) 2016/1164 of 12 July 2016), as amended by the Anti-Avoidance Directive II (EU Council Directive 2017/952 of 29 May 2017 amending Directive (EU) 2016/1164 as regards to hybrid mismatches with third countries) or other proposals may result in additional reporting, disclosure (such as pursuant to DAC6 or the OECD's Mandatory Disclosure Rules of Common Reporting Standards) and/or additional tax being suffered by the Company and the members of its group. The G7 finance ministers have recently reached an agreement in principle in relation to a minimum rate of tax which could be applicable to large multi-nationals. These changes and/or proposals may adversely affect the value of investments held, the extent of tax levied on revenues and therefore ultimately on the Company's ability to pay dividends, the Net Asset Value and the market price of its Shares.

### *Automatic exchange of information (AEOI)*

To the extent that the Company may be a Reporting Financial Institution under FATCA and/or the Common Reporting Standard, or otherwise in connection with other tax information reporting obligations, it may require Shareholders to provide it with certain information in order to comply with its AEOI obligations which information may be provided to the UK tax authorities who may in turn exchange that information with other tax authorities.

### **Commercial rates in Ireland**

Commercial rates are a tax levied on all occupiers of commercial property in Ireland, including renewable energy projects. On an annual basis, the occupier of such property is required to pay a percentage of the rateable valuation of the property to the local authority.

The rateable valuations of all commercial properties in Ireland were recently reviewed and revaluations have taken place. The Company's understanding is that, on the basis of industry commentary, the rateable valuations of wind farms have increased quite significantly (e.g., by up to 200 per cent.) leading to a corresponding increase in liability for those wind farms to pay rates. Dialogue between industry and the valuation authority is still ongoing and it is possible that industry may challenge the revised valuation methodology.

Investors should note that there are currently very few commercial solar projects in Ireland and so it is not clear how commercial rates may be applied to solar projects such as the Onsite Solar Assets. However, there is a risk that commercial rates for the Onsite Solar Assets could be revalued upwards to a greater extent than expected which could have adverse financial consequences on the Group's financial position and results of operations in Ireland.

## **K. OTHER POLITICAL AND REGULATORY RISKS**

### **Brexit**

The United Kingdom left the European Union on 31 January 2020 and the subsequent transition period ended on 31 December 2020. Although the UK and the EU agreed a trading arrangement which took effect from 1 January 2021, there remains uncertainty with respect to the UK's trading relationship with the EU and the political, economic, legal and social impact of such relationship going forward.

As the UK and the EU become accustomed to the new arrangements, there may be significant volatility and disruption in: (i) the global financial markets generally, which could result in a reduction of the availability of capital and debt; and/or (ii) the currency markets as the value of Sterling fluctuates against other currencies. Such events may, in turn, contribute to worsening economic conditions in both the UK and the EU and result in an increase in costs relating to the movement of parts and/or people which may also result in the delay of installation or maintenance of projects.

The nature of the UK's future relationship with the EU may also impact and potentially require changes to the Company's regulatory position. With effect from 1 January 2021, historic EU legislation has largely been implemented into UK law, but it remains unclear as to how UK law will develop over time, including whether the UK will be required to adopt new EU legislation in the future for the purposes of proving equivalence and how UK law will diverge, if at all, from historic EU legislation. Accordingly, the impact on the Company of the UK's future relationship with the EU and any resulting changes to the UK's legislative and regulatory framework is unclear.

Consequently, there will be a period of prolonged uncertainty regarding aspects of the UK economy including the possibility of a period of recession, together with other risks which could materially and adversely affect the legal, operational, regulatory and tax regime(s) to which the Company is currently subject. The effect of these risks could also be to increase compliance and operating costs whilst restricting the movement of its capital and the mobility of its personnel.

Any of these effects of Brexit (and others that the Directors cannot anticipate at this stage given the political and economic uncertainty following the UK's departure from the EU) could adversely affect the

Company's business, financial condition and cash flows. They could also negatively impact the value of the Company and make accurate valuations of the Shares and investments more difficult.

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

## **IMPORTANT INFORMATION**

This Prospectus should be read in its entirety before making any application for any Issue Shares. In assessing an investment in the Company, investors should rely only on the information in the Prospectus and any supplementary prospectus published by the Company prior to Initial Admission or Subsequent Admission of the relevant Issue Shares. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and any such supplementary prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Board, the Investment Adviser, Alvarium Securities or the Sponsor and any of their respective Affiliates, directors, officers, employees or agents or any other person.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to Article 23 of the UK Prospectus Regulation (as amended), neither the delivery of this Prospectus nor any subscription or purchase of Issue Shares made pursuant to this Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on Alvarium Securities and the Sponsor by FSMA, or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where exclusion of liability under the relevant regime would be illegal, void or unenforceable, neither Alvarium Securities nor the Sponsor accepts any responsibility whatsoever or makes any representation or warranty, express or implied, as to the contents of this Prospectus, including its accuracy or completeness or for any other statement made or purported to be made by either of them or on their behalf in connection with the Company, Initial Admission, any Subsequent Admission, the Initial Issue, the Placing Programme, the contents of this Prospectus, any transaction or arrangement referred to in this Prospectus or the Issue Shares and nothing contained in this Prospectus is or shall be relied upon as a promise or representation in this respect, whether as to the past or future. Each of Alvarium Securities and the Sponsor does not assume any responsibility for the accuracy, completeness or verification of this Prospectus and accordingly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise be found to have in respect of this Prospectus or any such statement.

Alvarium Securities and/or the Sponsor and their respective Affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services to, the Company and/or the Investment Adviser for which they would have received fees. Alvarium Securities and/or the Sponsor and their respective Affiliates may provide such services to the Company, the Investment Adviser or any of their respective Affiliates in the future.

In connection with the Initial Issue and the Placing Programme, Alvarium Securities and any of its Affiliates acting as an investor for its or their own account(s), may subscribe for the Issue Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or other related investments in connection with the Initial Issue and/or the Placing Programme or otherwise. Accordingly, references in this Prospectus to the Issue Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, Alvarium Securities and any of its Affiliates acting as an investor for its or their own account(s). Alvarium Securities does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

### **Regulatory information**

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy Issue Shares in any jurisdiction in which such offer or solicitation is unlawful. The issue or circulation of this Prospectus may be prohibited in some countries.

Subject to certain limited exceptions, the Issue Shares offered by this Prospectus may not be offered or sold directly or indirectly in or into the United States, or to or for the account or benefit of a US Person (within the meaning of the US Securities Act).

The AIFM has given written notification to the FCA that it intends to market the Issue Shares in the United Kingdom in accordance with Regulation 59(1) of the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) (as amended). The Company has not applied to offer the Issue Shares to investors under the national private placement regime of any EEA State.

Prospective investors should consider carefully (to the extent relevant to them) the notices to residents of various countries set out on pages 152 to 154 of this Prospectus.

### **Notice to prospective investors in the United Kingdom**

No Issue Shares have been offered or will be offered to the public in the United Kingdom prior to the publication of a prospectus in relation to the Issue Shares which has been approved by the Financial Conduct Authority, except that the Issue Shares may be offered to the public in the United Kingdom at any time with the prior consent of Alvarium Securities pursuant to the following exemptions under the UK Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined in Article 2(e) of the UK Prospectus Regulation (as amended);
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the UK Prospectus Regulation (as amended)) in the United Kingdom;
- (c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation (as amended) with the prior consent of Alvarium Securities,

provided that no such offer of Issue Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3(l) of the UK Prospectus Regulation (as amended).

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

### **Information for Distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (**Directive 2014/65/EU**); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing Directive 2014/65/EU; (c) local implementing measures; and/or (d) (where applicable to UK investors or UK firms) the relevant provisions of the UK MiFID Laws (including the FCA's Product Intervention and Governance Sourcebook (**PROD**)) (together the **MiFID II Product Governance Requirements**), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Issue Shares have been subject to a product approval process, which has determined that such Issue Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in PROD; and (ii) eligible for distribution through all distribution channels as are permitted by PROD for each type of investors (the **Target Market Assessment**).

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

For the avoidance of doubt, the Target Market Assessment does not constitute:

- (a) an assessment of suitability or appropriateness for the purposes of the UK MiFID Laws and/or EU MiFID II; or
- (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Issue Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Issue Shares and determining appropriate distribution channels.

### **Key Information Document**

In accordance with the UK PRIIPs Laws, the Company is required to prepare a key information document (**KID**) in respect of each class of share. These KIDs must be made available to retail investors prior to them making any investment decision and are available on the Company's website at <http://www.atratoroof.com>. If you are distributing the Issue Shares it is your responsibility to ensure the relevant KID(s) are provided to any clients that are "retail" clients.

The Company acknowledges that Alvarium Securities is not a manufacturer for the purposes of the UK PRIIPs Laws. Alvarium Securities does not make any representations, express or implied, or accept any responsibility whatsoever for the contents of the KIDs prepared by the Company nor does it accept any responsibility to update the contents of the KIDs prepared by the Company in accordance with the UK PRIIPs Laws. Alvarium Securities accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might have in respect of the KIDs prepared by the Company.

The KIDs do not form part of this Prospectus and investors should note that the procedures for calculating the risks, costs and potential returns in the KIDs are prescribed by law. The figures in the KIDs may not reflect the expected returns for the Company and anticipated performance returns cannot be guaranteed. It is a term of the Offer for Subscription and the Intermediaries Offer that investors acknowledge that they have had an opportunity to consider the KID relating to the Ordinary Shares.

The FCA is consulting on certain amendments to the UK PRIIPs Laws, including with respect to the requirements for key information documents and plans to amend the UK PRIIPs Rules by the end of 2021, with any changes made coming into effect on 1 January 2022. The UK government also announced in a June 2020 written ministerial statement that, in the longer term, it intends to conduct a more wholesale review of the disclosure regime for UK retail investors. Compliance with any changes to the UK PRIIPs Laws and, in the longer term, the UK disclosure regime for UK retail investors, may create additional compliance costs for the Company.

### **Investment considerations**

An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in the Issue Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) which might result from such investment.

The Issue Shares (and the Ordinary Shares arising upon conversion of any C Shares) are designed to be held over the long term and may not be suitable as short-term investments. There is no guarantee that any appreciation in the value of the Company's investments will occur. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company.

Any investment objectives of the Company are targets only and should not be treated as assurances or guarantees of performance.

A prospective investor should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in securities.

The contents of this Prospectus or any other communications from the Company, the Investment Adviser, Alvarium Securities, the Sponsor and any of their respective Affiliates, directors, officers, employees or agents are not to be construed as advice relating to legal, financial, taxation, investment or any other matters. Prospective investors should inform themselves as to:

- (a) the legal requirements within their own jurisdictions for the purchase, holding, conversion, transfer or other disposal of Issue Shares;
- (b) any foreign exchange restrictions applicable to the purchase, holding, conversion, transfer or other disposal of Issue Shares which they might encounter; and
- (c) the income and other tax consequences which may apply in their own jurisdictions as a result of the purchase, holding, conversion, transfer or other disposal of Issue Shares.

Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Company's Articles, which investors should review. A summary of the Articles can be found in paragraph 6 of Part 8 (*Additional Information*) of this Prospectus and a copy of the Articles is available on the Company's website [www.atratoroof.com](http://www.atratoroof.com).

### **Forward-looking statements**

This Prospectus includes statements that are, or may be deemed to be, "forward-looking statements".

These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "forecasts", "projects", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts.

All forward-looking statements address matters that involve risks and uncertainties and are not guarantees of future performance. Accordingly, there are or will be important factors that could cause the Company's actual results of operations, performance or achievement or industry results to differ materially from those indicated in these statements. These factors include, but are not limited to, those described in the section entitled "Risk Factors" of this Prospectus, which should be read in conjunction with the other cautionary statements that are included in this Prospectus.

Any forward-looking statements in this Prospectus reflect the Company's current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Company's operations, results of operations, growth strategy and liquidity.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements.

These forward-looking statements apply only as of the date of this Prospectus. Although the Company undertakes no obligation to revise or update any forward-looking statements contained herein (save where required by the Prospectus Regulation Rules, the Listing Rules, the EU AIFM Directive, the UK AIFMD Laws, UK MAR or the Disclosure Guidance and Transparency Rules or other applicable law and regulation), whether as a result of new information, future events, conditions or circumstances, any change in the Company's expectations with regard thereto or otherwise, Shareholders are advised to read any communications made directly to them by the Company, including the publication of a supplementary prospectus and/or any additional disclosures in announcements that the Company may make via an RIS announcement.

Nothing in the preceding five paragraphs should be taken as limiting the working capital statement contained in paragraph 11 of Part 8 (*Additional Information*) of this Prospectus.

## Data Protection

The information that a prospective investor in the Company provides in documents in relation to a subscription for Issue Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third-party individual (**personal data**) will be held and processed by the Company (and any third party in the United Kingdom to whom it may delegate certain administrative functions in relation to the Company) in compliance with:

- (a) the relevant data protection legislation and regulatory requirements of the United Kingdom (the **Data Protection Legislation**); and
- (b) the Company's privacy notice, a copy of which is available for consultation on the Company's website at [www.atratoroof.com](http://www.atratoroof.com) (**Privacy Notice**) (and if applicable any other third-party delegate's privacy notice).

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

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

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

- (a) disclose personal data to third-party service providers, Affiliates, agents or functionaries appointed by the Company or its agents to operate and administer the Company; and
- (b) transfer personal data outside of the UK and the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors provided that suitable safeguards are in place for the protection of such personal data, details of which are set out in the Privacy Notice or shall be otherwise notified from time to time.

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

If the Company (or any third party, functionary or agent appointed by the Company, which may include, without limitation, the Registrar) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will ensure that adequate safeguards are in place for the protection of such personal data, details of which are set out in the Privacy Notice or shall be otherwise notified from time to time.

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

## Intermediaries

The Company consents to the use of this Prospectus by Intermediaries in connection with any subsequent resale or final placement of the Ordinary Shares in the UK in relation to the Intermediaries



Offer only by Intermediaries who are appointed by the Company, a list of which will appear on the Company's website.

Such consent is given for the offer period which is from the date any Intermediaries are appointed to participate in connection with any subsequent resale or final placement of the Ordinary Shares until the closing of the period for the subsequent resale or final placement of the Ordinary Shares at 11.00 a.m. on 18 November 2021, being the date upon which the Intermediaries Offer closes, unless closed prior to that date.

**Any Intermediary that uses this Prospectus must state on its website that it uses this Prospectus in accordance with the Company's consent and the conditions attached thereto. Any application made by investors to any Intermediary is subject to the terms and conditions imposed by that Intermediary.**

**Information on the terms and conditions of any subsequent resale or final placement of Ordinary Shares by any Intermediary is to be provided at the time of the offer by the Intermediary.**

The Company accepts responsibility for the information in this Prospectus with respect to any subscriber for Ordinary Shares pursuant to any subsequent resale or final placement of Ordinary Shares by Intermediaries appointed by the Company.

Alvarium Securities has been engaged as an adviser to the Company in relation to the Intermediaries Offer and will be responsible for liaising directly with potential financial intermediaries and processing applications made by Intermediaries in relation to the Intermediaries Offer.

Any new information with respect to Intermediaries unknown at the time of approval of this Prospectus will be available on the Company's website at [www.atratoroof.com](http://www.atratoroof.com).

#### **No incorporation of website**

The contents of the Company's website at [www.atratoroof.com](http://www.atratoroof.com) do not form part of this Prospectus.

Investors should base their decision to invest on the contents of this Prospectus and any supplementary prospectus which may be published by the Company prior to Admission of the relevant Issue Shares alone and should consult their professional advisers prior to making an application to subscribe for Issue Shares to be issued under the Initial Issue or the Placing Programme.

#### **Market, economic and industry data**

Certain information in this document has been sourced from third parties. Where information in this document has been sourced from third parties, the source of such information has been clearly stated adjacent to the reproduced information.

All information contained in this document which has been sourced from third parties has been accurately reproduced and, as far as the Company or the Investment Adviser is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

All references to market data, industry statistics and forecasts and other information in this document consist of estimates based on data and reports compiled by industry professionals, organisations, analysts, publicly available information or the Company's or the Investment Adviser's own knowledge of their relevant markets.

Market data and statistics are inherently speculative and are not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgements by both the researchers and the respondents, including judgements about what types of products and transactions should be included in the relevant market. In addition, the value of comparisons of statistics for different markets is limited by many factors, including that: the markets may be defined differently; the underlying information may be gathered by different methods; and different

assumptions may be applied in compiling the data. Accordingly, the market statistics included in this document should be viewed with caution.

### **Currency presentation**

Unless otherwise indicated, all references in this Prospectus to "GBP", "Sterling", "pounds Sterling", "£", "pence" or "p" are to the lawful currency of the UK.

### **Definitions**

A list of defined terms used in this Prospectus is set out on pages 174 to 185 of this Prospectus.

### **Governing law**

Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales as at the date of this Prospectus and are subject to changes therein.

## EXPECTED ISSUE TIMETABLE

### INITIAL ISSUE TIMETABLE

Publication of this Prospectus	1 November 2021
Initial Placing, Offer for Subscription and Intermediaries Offer open	1 November 2021
Latest time and date for applications and payment in full under the Offer for Subscription	1.00 p.m. on 17 November 2021
Latest time and date for applications under the Intermediaries Offer	11.00 a.m. on 18 November 2021
Latest time and date for receipt of placing commitments under the Initial Placing	2.00 p.m. on 18 November 2021
Announcement of the results of the Initial Issue	19 November 2021
Initial Admission and commencement of dealings in the Ordinary Shares issued pursuant to the Initial Issue	8.00 a.m. on 23 November 2021
CREST accounts credited and settlement of relevant CREST instructions received under the Initial Issue	as soon as reasonably practicable on 23 November 2021
Where applicable, definitive share certificates despatched by post	within 10 Business Days of Initial Admission

### EXPECTED PLACING PROGRAMME TIMETABLE

Placing Programme opens	24 November 2021
Publication of Placing Programme Price in respect of each Subsequent Placing	on, or as soon as practicable after the announcement of the relevant Subsequent Placing
Announcement of the results of each Subsequent Placing	as soon as practicable after the closing of the relevant Subsequent Placing
Subsequent Admission, commencement of dealings and crediting of CREST accounts in respect of each Subsequent Admission	as soon as practicable following the closing of the relevant Subsequent Placing
Where applicable, definitive share certificates despatched by post	within 10 Business Days of the relevant Subsequent Admission
Placing Programme closes	31 October 2022*

**Notes:**

- (1) References to times above and in this Prospectus generally are to London times unless otherwise specified.
  - (2) All times and dates in the expected timetable and in this Prospectus may be adjusted by the Company in consultation with Alvarium Securities, the Sponsor and the Investment Adviser. Any material changes to the expected timetable will be notified via a Regulatory Information Service.
  - (3) Underlying applicants who apply to Intermediaries for Ordinary Shares under the Intermediaries Offer will not receive share certificates.
- \* or, if earlier, the date on which all of the Issue Shares available for issue under the Placing Programme have been issued (or such other date as may be agreed between Alvarium and the Company (such agreed date to be announced via an RIS announcement)).

## INITIAL ISSUE STATISTICS

Initial Issue Price per Ordinary Share	100 pence
Target number of Ordinary Shares to be issued pursuant to the Initial Issue	150 million
Target Gross Initial Proceeds	£150 million
Net Initial Proceeds*	£147 million
Net Asset Value per Ordinary Share at Initial Admission	98 pence

Notes:

- \* Assuming Gross Initial Proceeds of £150 million. The number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Gross Initial Proceeds, is not known as at the date of this Prospectus but will be notified by the Company via a Regulatory Information Service, prior to Initial Admission. The costs of the Initial Issue to be borne by the Company are expected to be approximately 2 per cent. of the Gross Initial Proceeds (that is £3 million assuming Gross Initial Proceeds of £150 million).

## PLACING PROGRAMME STATISTICS

Number of New Shares that may be issued under the Placing Programme	up to a maximum of 350 million (less the number of Ordinary Shares issued pursuant to the Initial Issue)
Placing Programme Price per Ordinary Share	at a premium to the latest published NAV per Ordinary Share to be determined by Directors, in their absolute discretion, from time to time
Placing Programme Price per C Share	100 pence

## DEALING CODES

### **Ordinary Shares**

ISIN for the Ordinary Shares	GB00BN497V39
SEDOL for the Ordinary Shares	BN497V3
Ticker code for the Ordinary Shares	ROOF

### **C Shares**

ISIN for the C Shares	GB00BNBQZC43
SEDOL for the C Shares	BNBQZC4
Ticker code for the C Shares	ROOC
Company's Legal Entity Identifier (LEI)	213800IE1PPREDIIZB62

## **DIRECTORS, MANAGEMENT AND ADVISERS**

<b>Directors (all non-executive)</b>	<p>Juliet Davenport (Non-executive Chairperson)  Marlene Wood (Non-executive Director)  Faye Goss (Non-executive Director)</p> <p>all independent and of the registered office below</p>
<b>Registered office</b>	<p>6th Floor Bastion House  140 London Wall  London  EC2Y 5DN</p>
<b>AIFM</b>	<p>JTC Global AIFM Solutions Limited  Ground Floor  Dorey Court  Admiral Park  St Peter Port  Guernsey  GY1 2HT</p>
<b>Investment Adviser and Administrator</b>	<p>Atrato Partners Limited  c/o Hillier Hopkins LLP  First Floor  Radius House  51 Clarendon Road  Watford  Hertfordshire  WD17 1HP</p>
<b>Global Coordinator, Sole Bookrunner and Intermediaries Offer Adviser</b>	<p>Alvarium Securities Limited  10 Old Burlington Street  London  W1S 3AG</p>
<b>Sponsor and Legal Adviser to the Global Coordinator, Sole Bookrunner and Intermediaries Offer Adviser</b>	<p>Dickson Minto W.S.  Broadgate Tower  20 Primrose Street  London  EC2A 2EW</p>
<b>Legal Advisers to the Company as to English and US Securities law</b>	<p>Norton Rose Fulbright LLP  3 More London Riverside  London  SE1 2AQ</p>
<b>Company Secretary</b>	<p>Throgmorton UK Limited  6th Floor  Bastion House  140 London Wall  London  EC2Y 5DN</p>

**Registrar**

Link Group  
10th Floor  
Central Square  
29 Wellington Street  
Leeds  
LS1 4DL

**Receiving Agent**

Link Group  
Corporate Actions  
10th Floor  
Central Square  
29 Wellington Street  
Leeds  
LS1 4DL

**Reporting Accountant**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

**Auditor**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

## Part 1

### The Company

#### 1 INTRODUCTION

Atrato Onsite Energy plc is a newly established closed-ended investment company incorporated in England and Wales on 16 September 2021 and registered as an investment company under section 833 of the Companies Act. The Company intends to carry on business as an investment trust within the meaning of section 1158 of the Corporation Tax Act 2010.

The principal activities of the Company will be to invest in behind-the-meter solar photovoltaic generation systems and associated infrastructure in accordance with its investment policy and with a view to achieving its investment objective. Behind-the-meter systems are energy assets which are installed at or adjacent to a consumer's property and connected to that consumer's private electrical infrastructure in order to deliver energy to that consumer without the use of a public power grid.

Given the Company's focus on investing in sustainable energy solutions, ESG considerations lie at the heart of its investment approach.

#### 2 INVESTMENT OBJECTIVE

The Company's investment objective is to: support the net zero agenda whilst delivering capital growth and progressive dividend income to its shareholders; integrate ESG best practice with a focus on investing in new renewable energy capacity and onsite clean energy solutions; and target long- term secure income with limited exposure to wholesale power prices.

#### 3 INVESTMENT POLICY

The Company will seek to achieve its investment objective by investing in behind-the-meter solar photovoltaic generation systems and associated infrastructure (**Onsite Solar Assets**) (for example, solar photovoltaic generation systems located on rooftops). Each such system will be commercialised through one or more power purchase agreements (**PPAs**) with a Contract Counterparty connected to the Onsite Solar Asset via a private wire network. Any surplus electricity production will typically be sold by the Company to the public power grid.

The Company may also make investments in Other Clean Energy Technologies up to a maximum of 30 per cent. of the Company's Gross Asset Value (calculated at the time of investment).

Origination of new asset opportunities will be a key component of the Company's investment strategy. The Company therefore intends as part of its strategy alongside the holding of Operational Assets to pursue investment opportunities in Installation Assets and some Pre-Installation Assets. It is anticipated that the installation phase of an Onsite Solar Asset's lifecycle will generally be a period of less than 4 months such that there is expected to be a high turnover of such Installation Assets that will become Operational Assets to be held by the Company. As the Company's portfolio grows it is expected that the majority of the Company's underlying investments will be represented by Operational Assets, notwithstanding that additional Installation Assets and Pre-Installation Assets may be acquired.

For the purposes of the Company's investment policy:

**Clean Energy Assets** means Onsite Solar Assets and other assets which qualify as Other Clean Energy Technologies;

**Contract Counterparty** means the entity which is primarily responsible for paying for the use and benefit of the Clean Energy Asset. Contract Counterparties will be non-domestic consumers, for example occupiers of industrial and commercial properties;

**Installation Assets** means Clean Energy Assets which have in place the required suite of material agreements to carry out the asset installation, including, as applicable, the property rights, permissions and revenue arrangements, but which have not yet become Operational Assets;

**Other Clean Energy Technologies** means infrastructure assets which facilitate the reduction of greenhouse gas emissions and which typically derive the majority of their revenues through agreements with non-domestic customers. Examples include but are not limited to electric vehicle charging infrastructure, onsite energy storage and any energy generation asset (whether or not connected to a public power grid) other than an Onsite Solar Asset which does not emit carbon dioxide to the atmosphere at the point of generation but excluding nuclear energy;

**Operational Assets** means Clean Energy Assets which have been installed, commissioned and which are capable of generating revenues; and

**Pre-Installation Assets** means Clean Energy Assets which have not yet been sufficiently progressed to be regarded as an Installation Asset.

The Company will invest in Clean Energy Assets predominantly located in the UK and the Republic of Ireland. Subject to the investment restrictions set out below, the Company may also make investments in Clean Energy Assets located in other OECD countries.

Assets may be held in special purpose vehicles (**SPVs**) into which the Company will invest via equity and/or shareholder loans.

The Company will typically seek sole ownership of such SPVs but may acquire a mix of controlling and non-controlling interests in Clean Energy Assets and may use a range of instruments in pursuit of its investment objective, including but not limited to equity, mezzanine or debt instruments.

In circumstances where the Company does not hold a controlling interest in the relevant investments, the Company will seek to secure its rights through contractual and other arrangements to, *inter alia*, ensure that the Clean Energy Asset is operated and managed in a manner that is consistent with the Company's investment policy and that the Company has appropriate access to information rights to enable it to comply with its continuing obligations under the Listing Rules, the Disclosure Guidance and Transparency Rules and UK MAR.

The Company may also agree to forward fund by way of secured loans the pre-installation and/or installation costs of Clean Energy Assets where it retains the right (but not the obligation) to acquire the relevant plant once operational. Such forward funding shall be subject to the investment restrictions below and will only be undertaken where supported by appropriate security (which may include financial instruments as well as asset-backed guarantees). Forward funding of any Pre-Installation Assets shall count towards the limit on investment in Pre-Installation Assets.

Whilst the Company does not typically expect to provide forward funding, the right to do so, subject to the above limitations, enables the Company to retain flexibility in the event of changes in the asset pipeline over time.

### **Investment restrictions**

In order to spread its investment risk, the Company has adopted the following investment restrictions:

- the proportion of the Company's Gross Asset Value attributable to an investment(s) associated with a single Contract Counterparty shall not, at the time of investment, exceed 30 per cent. of the Company's Gross Asset Value;
- once the Net Initial Proceeds have been fully deployed, the proportion of the Company's Gross Asset Value attributable to investments associated with the Company's five largest



Contract Counterparties (by the value of revenues derived from those Contract Counterparties) shall not exceed 75 per cent. of the Company's Gross Asset Value at the time of investment;

- no investment by the Company in any Clean Energy Asset shall, at the time of investment, exceed 25 per cent. of the Company's Gross Asset Value;
- the Company's five largest investments in separate Clean Energy Assets shall not, at the time of investment, exceed 60 per cent. of the Company's Gross Asset Value;
- the Company's investments in Clean Energy Assets located in OECD countries other than the UK and the Republic of Ireland shall not, at the time of investment, exceed 15 per cent. of the Company's Gross Asset Value;
- the Company's investments in Pre-Installation Assets shall not, at the time of investment, exceed 15 per cent. of the Company's Gross Asset Value; and
- forward funding shall not, at the time such arrangements are entered into, exceed in aggregate 20 per cent. of the Company's Gross Asset Value.

The Company will also ensure diversity in its third-party installation, operations and maintenance contractors and diversification will also be achieved by assets being located across various geographical locations within the UK and the Republic of Ireland.

In addition to the investment restrictions set out above, the Company will also comply with the following investment restrictions for so long as they remain requirements of the Financial Conduct Authority:

- neither the Company nor any of its subsidiaries will conduct any trading activity which is significant in the context of the Group as a whole;
- the Company will, at all times, invest and manage its assets in a way which is consistent with its objective of spreading investment risk and in accordance with its published investment policy; and
- not more than 10 per cent. of the Company's Gross Asset Value, at the time of investment, will be invested in other closed-ended investment funds which are listed on the Official List.

For the purposes of the Company's investment policy and the investment restrictions set out above, the Company's Gross Asset Value will take into account any borrowings to be incurred by the Group in respect of amounts committed for investment but not yet incurred.

The investment limits set out above apply only at the time of investment and the Company will not be required to dispose of any asset or to rebalance the portfolio of Clean Energy Assets as a result of a change in the respective valuations of its assets. The investment limits set out above will apply to the Group as a whole on a look-through basis, such that where assets are held through SPVs or other intermediate holding entities, the Company will look through the holding vehicle/SPV to the underlying assets when applying the investment limits.

### ***Gearing policy***

The Company may, in pursuit of its investment objective, make use of medium and long-term external debt (including at the SPV level) of up to 40 per cent. of the Company's Gross Asset Value immediately following drawdown of the financing and assessed on a look-through basis.

In addition, the Company and/or its subsidiaries may make use of short-term debt (being typically for a term of no more than 12 months), such as revolving credit facilities, to assist with the acquisition of suitable opportunities as and when they become available. Such short-term debt

shall not exceed 20 per cent. of the Company's Gross Asset Value immediately following drawdown of the financing and assessed on a look-through basis.

### ***Hedging policy***

The Company may enter into hedging arrangements in respect of interest rates and/or power prices. The Company will not undertake any speculative hedging transactions and hedging transactions shall be limited to those which are necessary or desirable for the purposes of efficiently managing the Company's investments and protecting or enhancing returns therefrom.

The Company may make use of currency hedging where investments are made in currencies other than pounds Sterling with the objective of reducing the Company's exposure to fluctuations in exchange rates.

### ***Cash management policy***

The Company may in its absolute discretion decide to hold cash on deposit and may invest in cash equivalent instruments, which may include short-term investments in money market type funds and tradeable debt securities (**Cash and Cash Equivalents**). There is no restriction on the amount of Cash and Cash Equivalents that the Company may hold.

### ***Changes to and compliance with the investment policy***

The Company will at all times invest and manage its assets in accordance with its published investment policy.

Material changes to the Company's investment policy may only be made in accordance with the prior approval of the Shareholders by way of ordinary resolution and the prior approval of the FCA in accordance with the Listing Rules. Non-material changes to the investment policy must be approved by the Board, taking into account advice from the AIFM and the Investment Adviser where appropriate.

In the event of a breach of the investment policy, including the investment restrictions set out above, the AIFM shall inform the Board upon becoming aware of such breach and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

## **4 DIVIDEND POLICY AND TARGET RETURNS**

### **Distribution policy**

#### **General**

The Company is targeting:

- an annualised dividend of 5 pence per Ordinary Share for the first and second financial years following Initial Admission. The Company will seek to grow the dividend progressively thereafter, setting a dividend target for each financial year at the time of publication of the Company's annual report and accounts for the preceding year; and
- an annual NAV Total Return target of 8 to 10 per cent. over the medium term. This assumes average leverage over the medium term at 40 per cent., and will be calculated based on the increase in NAV over a 12 month period from the Company's financial year end of 30 September, plus the total dividends paid during the period.

**The target dividend and target NAV Total Return set out above are targets only and are not profit forecasts. There can be no assurance that these targets can or will be met. These targets have been developed based upon assumptions with respect to future business decisions and conditions that are subject to change, including the Company's execution of its investment objective and strategies, as well as growth in the sector and markets in which the Company operates. As a result, the Company's actual results may vary from the**

**targets set out above and those variations may be material. The Company does not undertake to publish updates as to its progress towards achieving any of these targets, including as it may be impacted by events or circumstances existing or arising after the date of this Prospectus or to reflect the occurrence of unanticipated events or circumstances.**

In order to maintain its approval as an investment trust, the Company intends to distribute at least 85 per cent. of its distributable income earned in each financial year by way of dividends.

The target dividend is subject to the Company having sufficient distributable reserves and also subject to satisfying the requirements of the Companies Act. In order to increase the distributable reserves available to facilitate the payment of future dividends, the Company has resolved that, conditional upon Initial Admission and the approval of the Court, the amount standing to the credit of the share premium account of the Company immediately following completion of the Initial Issue be cancelled and transferred to a special distributable reserve. The resultant reserve may be used, where the Board considers it appropriate, by the Company for the purposes of, amongst other things, paying dividends to Shareholders and, in particular, smoothing payments of dividends to Shareholders. There is no guarantee that the Board will in fact make use of such reserve for the purposes of the payment of dividends to Shareholders.

#### **Timing of distributions**

The Company's financial year end is 30 September and distributions on the Ordinary Shares are expected to be paid quarterly each year, and are expected to be made by way of interim dividends to be declared in January, April, July and October, with the first quarterly dividend expected to be declared in respect of the period from Initial Admission to 31 March 2022 and paid in May 2022.

### **5 DEPLOYMENT OF THE NET INITIAL PROCEEDS**

It is intended that the Net Initial Proceeds will be used to make investments in accordance with the Company's investment objective and investment policy and to fund the Company's operational expenses.

As set out in paragraph 4 of Part 2 of this Prospectus, a significant proportion of the Pipeline Assets are Pre-Installation Assets. Such investments may also be Operational Assets and Installation Assets as well as Pre-Installation Assets.

The Board and the Investment Adviser believe that, with the Investment Adviser's experience, the preparatory work undertaken by it to date, including the collation of the Pipeline Assets (see Part 2 (*Market Background, Investment Opportunity, Investment Approach and Pipeline*) of this Prospectus), suitable assets will be identified, assessed and invested in, such that the Net Initial Proceeds will be substantially invested or committed within 12 months following Initial Admission.

### **6 GROUP STRUCTURE**

The Company will make its investments via a group structure which currently comprises the Company and its wholly-owned UK subsidiary, Atrato Onsite Energy HoldCo Limited (**Holdco**). Holdco will invest directly or indirectly in the SPVs which own the Clean Energy Assets.

### **7 ESG AND SUSTAINABILITY**

The Company is aware that its ability to manage the risks and opportunities of material ESG issues is fundamental to the delivery of long-term sustainable returns for its investors and that its activities and its method of delivery have the potential to impact on a broad range of stakeholders.

It therefore intends to ensure that ESG considerations are reflected in all stages of the asset lifecycle and throughout its areas of operation. Further details of the Company's ESG policy and sustainability targets are set out in Part 4 (*ESG and Sustainability*) of this Prospectus.

## 8 VALUATION POLICY

The Investment Adviser is responsible for calculating the Net Asset Value and Net Asset Value per Ordinary Share which are presented to the Directors and the AIFM for their approval and adoption. The calculations will be carried out as at 30 September and 31 March each year and reported to Shareholders in the Company's annual and half-yearly financial statements.

The Company's Net Asset Value is the value of all assets of the Company less its liabilities (including provisions for such liabilities) calculated in accordance with the Company's valuation methodology. The Net Asset Value per Ordinary Share is the Net Asset Value divided by the number of Ordinary Shares in issue at the relevant time.

The NAV calculation will mainly be driven by the fair market value of the Group's investments in Clean Energy Assets.

The Board and the AIFM have delegated responsibility for carrying out the fair market valuation of the Group's investments to the Investment Adviser. The valuation will be carried out on a six monthly basis as at 30 September and 31 March in each year.

The valuation methodology to be used by the Investment Adviser to calculate the fair value will be based on a discounted cash flow methodology, and will take into account IPEV Valuation Guidelines as adopted by Invest Europe.

Where an asset is in the pre-installation phase, it is intended that the cost expended to date on that asset is used as an appropriate estimate of fair value.

Otherwise, fair market value for each investment will be calculated by the Investment Adviser as derived from the present value of the investment's expected future cash flows, using reasonable assumptions and forecasts for revenues and operating costs, and an appropriate discount rate.

The Investment Adviser will exercise its judgement in assessing the expected future cash flows from each investment. In undertaking its analysis the Investment Adviser will take into account, amongst other things, the following which will be reflected in detailed models that underpin the valuations:

- (a) discount rate – this will be determined with reference to one or more of the following sources of information:
  - (i) discount rates implied in the price at which comparable transactions have been announced or completed in the relevant jurisdiction;
  - (ii) discount rates publicly disclosed by the Company's peers for comparable assets in the relevant jurisdiction; and
  - (iii) discount rates applicable for other comparable infrastructure asset classes and regulated energy sectors;
- (b) power price forecasts from leading market advisers;
- (c) the economic, legal, taxation or regulatory environment, including inflation expectations;
- (d) terms of any material contracts including the relevant PPA(s);
- (e) the terms of any financing;
- (f) claims or other disputes or contractual uncertainties;
- (g) key assumptions, including revenue and cost at Company and asset level;
- (h) recent due diligence findings under the origination process;

- (i) opportunities for adjusting borrowings; and
- (j) opportunities for financial restructuring.

Any value expressed other than in Sterling (the functional reporting currency of the Company) (whether of an investment or cash) will be converted into Sterling at the rate (whether official or otherwise) which the Investment Adviser deems appropriate in the circumstances.

The Board and the AIFM will review the operating and financial assumptions, including the discount rates, used in the valuation of the Company's underlying portfolio provided by the Investment Adviser and will approve them based on the recommendation of the Investment Adviser. As part of the annual audit, BDO LLP will review the valuation model used by the Investment Adviser, including the discount rate.

## **9 CALCULATION OF NET ASSET VALUE**

The Investment Adviser will calculate the Net Asset Value and the Net Asset Value per Ordinary Share as at 31 March and 30 September each year and report such calculation to the Board.

The Board will approve each six monthly Net Asset Value calculation. These calculations will be reported on a semi-annual basis to Shareholders and reconciled in the Company's annual report. The Net Asset Value will also be announced as soon as practicable on a Regulatory Information Service and will be published on the Company's website, [www.atratoroof.com](http://www.atratoroof.com).

All calculations will be based, in part, on valuation information provided by the SPVs through which the Group owns its investments. Although the Investment Adviser will evaluate the information and data provided by the SPVs, it may not be in a position to confirm the completeness, genuineness or accuracy of such information or data, nor may such information be up to date by the time it has been received by the Company. Shareholders should bear in mind that the actual Net Asset Values may be materially different from the half-yearly estimates.

The Board may determine that the Company shall temporarily suspend the determination of the Net Asset Value per Ordinary Share when the prices of any investments owned by the Group cannot be promptly or accurately ascertained; however, in view of the nature of the Company's proposed investments, the Board does not envisage any circumstances in which valuations will be suspended. Any suspension in the calculation of the Net Asset Value will be notified to Shareholders through a Regulatory Information Service as soon as practicable after such suspension occurs.

## **10 MEETINGS, REPORT AND ACCOUNTS**

The Company will hold its first annual general meeting in 2023 and will then hold an annual general meeting each year thereafter. The annual report and accounts of the Company will be made up to 30 September in each year with copies being made available to Shareholders within the following four months. The first annual report will be prepared to 30 September 2022. The Company will also publish unaudited half-yearly reports covering the six months to the end of March each year and copies of the unaudited half-yearly reports will be made available on the Company's website (in accordance with the Companies Act) within the following three months.

The financial statements will be prepared in accordance with IFRS.

## **11 SHARE RATING MANAGEMENT**

The Board considers that it would be undesirable for the market price of the Ordinary Shares to diverge significantly from the NAV per Ordinary Share.

### ***Premium management***

In the event that the Ordinary Shares trade at a premium to NAV, the Company may issue new Ordinary Shares. The Directors have authority to issue, in aggregate, up to 70 million Ordinary

Shares on a non-pre-emptive basis, in addition to the Initial Issue and the Placing Programme. Such authority will expire at the conclusion of the Company's first annual general meeting, which is expected to be held in 2023, or 18 months from 21 October 2021 (whichever is earlier). It is intended that renewal of this authority will be sought from Shareholders at each subsequent annual general meeting of the Company.

Ordinary Shares may be issued without the publication of a prospectus in accordance with exemptions set out in the UK Prospectus Regulation, which currently allow for the issue of shares representing, over a rolling period of 12 months, less than 20 per cent. of the number of shares of the same class already admitted to trading on the same regulated market which have not been issued pursuant to a prospectus, provided that such issue is not made by way of an offer of the Company's securities to the public.

No Ordinary Shares will be issued at a price less than the Net Asset Value per existing Ordinary Share at the time of their issue, plus a premium to cover the costs and expenses of such issue.

Investors should note that the issuance of new Ordinary Shares is entirely at the discretion of the Board, and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the proportion of new Ordinary Shares that may be issued.

### ***Treasury shares***

The Companies Act allows companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. This would give the Company the ability to re-issue Ordinary Shares quickly and cost effectively, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base. No Ordinary Shares will be sold from treasury at a price less than the Net Asset Value per existing Ordinary Share at the time of their sale unless they are first offered *pro rata* to existing Shareholders.

### ***Discount management***

The Company may seek to address any significant discount to NAV at which its Ordinary Shares may be trading by purchasing its own Ordinary Shares in the market on an *ad hoc* basis.

The Directors have the authority to make market purchases of up to 14.99 per cent. of the Ordinary Shares in issue on Initial Admission. The maximum price (exclusive of expenses) which may be paid for an Ordinary Share must not be more than 5 per cent. above the average of the mid-market values of the Ordinary Shares for the five Business Days before the purchase is made. Ordinary Shares will be repurchased only at prices below the prevailing NAV per Ordinary Share, which should have the effect of increasing the NAV per Ordinary Share for the remaining Shareholders. Ordinary Shares purchased by the Company may be held in treasury or cancelled.

It is intended that a renewal of the authority to make market purchases will be sought from Shareholders at each annual general meeting of the Company. Purchases of Ordinary Shares will be made within guidelines established from time to time by the Board and conducted in accordance with the Companies Act, the Listing Rules, the Disclosure Guidance and Transparency Rules and UK MAR and will be announced to the market through an RIS as soon as possible and in any event by no later than 7.30 a.m. on the following Business Day. Any purchase of Ordinary Shares would be made only out of the available cash resources of the Company.

The Directors expect to give consideration to the exercise of the authority referred to above to repurchase Ordinary Shares where the market price of an Ordinary Share trades at more than 10 per cent. below the Net Asset Value per Ordinary Share during any 12 month rolling period, commencing on the date which is 18 months from Initial Admission, subject to cash not being required for working capital purposes or the payment of dividends in accordance with the Company's dividend policy. If the Board does decide that the Company should repurchase Ordinary Shares, the Board has complete discretion as to the timing, price and volume of Ordinary Shares so purchased.

However, investors should note that the repurchase of Ordinary Shares is entirely at the discretion of the Board and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the proportion of Ordinary Shares that may be repurchased.

## 12 DURATION

In the event that the Company's Net Asset Value is not equal to or greater than £250 million on the third anniversary of Initial Admission, the Directors will propose a special resolution that the Company shall cease to continue as presently constituted (a **Discontinuation Resolution**) at the annual general meeting of the Company held following the third anniversary of Initial Admission. In addition, and subject to a prior Discontinuation Resolution not having been proposed and passed, the Directors will propose an ordinary resolution at the annual general meeting to be held following the sixth anniversary of Initial Admission and at every third annual general meeting thereafter that the Company should continue as presently constituted (a **Continuation Resolution**). In the event that a Discontinuation Resolution is passed or a Continuation Resolution is not passed, the Directors will be required to formulate proposals for the voluntary liquidation, unitisation, reorganisation or reconstruction of the Company for consideration by Shareholders at a general meeting to be convened by the Board for a date not more than six months after the date of the annual general meeting at which such Discontinuation Resolution or Continuation Resolution was proposed.

## 13 THE INITIAL ISSUE AND THE PLACING PROGRAMME

The Company is targeting an issue of 150 million Ordinary Shares pursuant to the Initial Issue, comprising the Initial Placing, the Offer for Subscription and the Intermediaries Offer, at the Initial Issue Price (being 100 pence per Ordinary Share). The Company also intends to implement the Placing Programme as described further below.

The actual number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Gross Initial Proceeds, is not known as at the date of this Prospectus but will be notified by the Company via an RIS announcement prior to Initial Admission.

The Minimum Gross Initial Proceeds are £100 million and the Minimum Net Initial Proceeds are approximately £98 million. In the event that the Minimum Gross Initial Proceeds are not raised, the Initial Issue will not proceed, except where the Company produces a supplementary prospectus stating the revised minimum proceeds. In the event the Initial Issue does not proceed any monies received under the Initial Issue will be returned to applicants without interest at the risk of the applicant.

Following the Initial Issue, the Directors intend to implement the Placing Programme to enable the Company to raise additional capital in the period from Initial Admission to 31 October 2022 to pursue acquisition opportunities that are in accordance with the Company's investment objective and policy. The size and timing of each Subsequent Placing of Ordinary Shares and/or C Shares under the Placing Programme will be determined at the sole discretion of the Directors, in consultation with Alvarium Securities and the Sponsor.

Any Ordinary Shares issued pursuant to the Placing Programme will be issued at a price calculated by reference to the prevailing published Net Asset Value per Ordinary Share at the time of issue together with a premium intended to at least cover the costs and expenses of the relevant Subsequent Placing (including, without limitation, any placing commissions), which are expected to be approximately 2 per cent. of the gross proceeds of each Subsequent Placing.

Any C Shares issued pursuant to the Placing Programme will be issued at 100 pence per C Share.

It is expected that the Company will issue C Shares rather than new Ordinary Shares in circumstances where there is a significant anticipated delay before the net proceeds of a placing under the Placing Programme are expected to be deployed. C Shares are designed to overcome the potential disadvantages that may arise out of a fixed price issue of further Ordinary Shares for cash. These disadvantages relate primarily to the effect that an injection of uninvested cash

may have on the Net Asset Value per Ordinary Share performance of otherwise fully invested portfolios (commonly referred to as "cash drag"). The assets representing the net proceeds of an issue of C Shares would be accounted for as a separate pool, and the C Shares would bear a proportionate share of the Company's costs and expenses, until such pool is substantially invested in accordance with the Company's investment policy, following which the C Shares would be converted into new Ordinary Shares based on the respective NAV per Share.

Applications will be made to the FCA for the Ordinary Shares issued and to be issued pursuant to the Initial Issue and the Placing Programme (and for any C Shares to be issued pursuant to the Placing Programme) to be listed on the premium listing category of the Official List and to the London Stock Exchange for such Shares to be admitted to trading on the Main Market. It is expected that Initial Admission will become effective and dealings in the Ordinary Shares will commence at 8.00 a.m. on 23 November 2021.

Alvarium Securities has agreed to use its reasonable endeavours to procure subscribers pursuant to the Initial Placing and the Placing Programme on the terms and subject to the conditions set out in the Placing Agreement.

Following Initial Admission, the Company will be subject to the Disclosure Guidance and Transparency Rules, the Listing Rules, the Market Abuse Regulation, the Takeover Code and the LSE Admission Standards.

Further details in relation to the Initial Issue are set out in Part 5 (*The Initial Issue*) of this Prospectus and further details in relation to the Placing Programme are set out in Part 6 (*The Placing Programme*).

## **14 INVESTMENT TRUST STATUS**

The Company will seek to qualify as an investment trust. In order to qualify as an investment trust, the Company must comply with Chapter 4 of Part 24 Corporation Tax Act 2010. It is the intention of the Directors to conduct the Company's affairs so that it qualifies to receive approval as an investment trust and continues to be so approved. However, no guarantee is given that the Company will be able to maintain its status as an investment trust.

Nevertheless, the Company intends at all times to conduct its affairs so as to enable it to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011. In summary, the key conditions that must be met for approval by HMRC for any given accounting period as an investment trust are that:

- all or substantially all of the business of the Company is investing its funds in shares, land or other assets with the aim of spreading investment risk and giving members the benefit of the results of the management of its funds;
- the Company is not a close company at any time during the accounting period for which approval is sought;
- the Company is resident in the UK throughout that accounting period;
- the Company's ordinary share capital is admitted to trading on a regulated market (as defined in FSMA) throughout the accounting period; and
- the Company must not retain in respect of the accounting period an amount greater than the higher of: (i) 15 per cent. of its income for the period; and (ii) the amount of any income which the Company is required to retain in respect of the period by virtue of a restriction imposed by law. However, where the Company has relevant accumulated losses brought forward from previous accounting periods of an amount equal to or greater than the higher of the amounts mentioned in (i) and (ii) above, it may retain an amount equal to the amount of such losses.



## **15 TAXATION**

Potential investors are referred to Part 7 (*United Kingdom Taxation*) of this Prospectus for details of the taxation of the Group and Shareholders in the UK. Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own professional advisers immediately.

## **16 DISCLOSURE OBLIGATIONS**

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules (as amended from time to time) (**DTR 5**) of the Financial Conduct Authority Handbook apply to the Company on the basis that the Company is a "UK issuer", as such term is defined in DTR 5. As such, a person is required to notify the Company of the percentage of voting rights it holds as a holder of Shares or holds or is deemed to hold through the direct or indirect holding of financial instruments falling within DTR 5 if, as a result of an acquisition or disposal of Shares (or financial instruments), the percentage of voting rights reaches, exceeds or falls below the relevant percentage thresholds being, in the case of a UK issuer, 3 per cent. and each 1 per cent. threshold thereafter up to 100 per cent.

## **17 AIFM DIRECTIVE**

The Company operates as an externally managed Non-EEA domiciled AIF with a Non-EEA AIFM for the purposes of both the UK AIFMD Regime and the EU AIFM Directive. The AIFM has notified the FCA, in accordance with the requirements of the UK AIFMD Regime, of the intention to market the Company in the UK. The AIFM is licensed and regulated by the Guernsey Financial Services Commission.

## **18 PROFILE OF TYPICAL INVESTORS**

Typical investors in the Company are expected to be institutional investors, professionally advised private investors and retail investors. An investment in the Company is only suitable for persons capable of evaluating the risks and merits of such an investment and who have sufficient resources to bear any loss which may result from the investment (which may equal the whole amount invested). Potential investors should consider with care whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them. Private investors in the UK who are unsure whether to invest should consider consulting a financial adviser authorised under the FSMA to assess whether an investment in the Company is suitable.

## **19 NON-MAINSTREAM POOLED INVESTMENT PRODUCTS AND MIFID II**

The Company is not deemed to be a non-mainstream pooled investment because, as an investment trust, the Ordinary Shares and C Shares are "excluded securities" under the FCA's rules on non-mainstream pooled investment products.

The Company will conduct its affairs so that the Ordinary Shares and C Shares can be recommended by financial advisers to retail investors in accordance with the rules on distribution of financial instruments under EU MiFID II and the UK MiFID Laws. The Directors consider that the requirements of Article 57 of the EU MiFID II delegated regulation of 25 April 2016 (and the equivalent provision of the UK MiFID Laws) are met in relation to the Ordinary Shares (and will be met in relation to the C Shares) and that, accordingly, the Ordinary Shares and C Shares should be considered "non-complex" for the purposes of EU MiFID II and the UK MiFID Laws.

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

The Company has been advised that the Shares should be "transferable securities" and, therefore, should be eligible for investment by a UK UCITS or NURS on the basis that: (i) the Company is a closed-ended investment company incorporated in England and Wales as a public limited company; (ii) the Shares are to be admitted to trading on the premium segment of the Main Market of the London Stock Exchange; and (iii) the AIFM is licensed and regulated by the

Guernsey Financial Services Commission and, as such, is subject to the rules of Guernsey Financial Services Commission in the conduct of its investment business. The manager of a UK UCITS or NURS should, however, satisfy itself that the Shares are eligible for investment by that fund, including a consideration of the factors relating to that UK UCITS or NURS itself, specified in the rules of the FCA.

## **21 RISK FACTORS**

The Company's performance is dependent on many factors and potential investors should read the whole of this Prospectus and in particular the section entitled "Risk Factors" on pages 12 to 35.

## Part 2

# Market Background, Investment Opportunity, Investment Approach and Pipeline

## 1 MARKET BACKGROUND

### 1.1 National sustainability commitments

The climate change agenda, and the role of renewable energy, remains a focus of international collaboration and in November 2021 the EU and the 196 other parties to the United Nations Framework Convention on Climate Change will meet for COP26 to seek agreement on achieving net zero emissions on a global basis by the middle of this century. As the host of COP26 in Glasgow, the UK has been striving to demonstrate climate leadership.

#### (a) UK

In 2019 the UK became the first major economy in the world to legislate for a national "net zero" emissions target, meaning that the UK committed to reduce greenhouse gas emissions by at least 100 per cent. of 1990 levels by 2050. This was achieved through an amendment to the Climate Change Act 2008, under which the UK had previously targeted an 80 per cent. reduction in emissions. In April 2021 the UK government announced its intention to also bolster its interim emissions reductions targets, setting a target of a 78 per cent. reduction relative to 1990 levels by 2035. The Climate Change Act also established the Committee on Climate Change (CCC) which provides independent analysis, including recommending and subsequently reporting against five yearly carbon budgets. Within the devolved administrations, Scotland has set an earlier net zero target of 2045, whilst in March 2021 Wales aligned its targets with the UK's 2050 deadline for achieving the net zero target with interim reduction targets (relative to 1990 levels) of 63 per cent. by 2030 and 89 per cent by 2040.

#### (b) Republic of Ireland

In July 2021 Ireland passed the Climate Action and Low Carbon Development (Amendment) Act 2021 which brought into law a requirement to transition to a "climate neutral economy" by 2050, being an economy in which greenhouse gas emissions are balanced or exceeded by the removal of greenhouse gases. An interim target for 2030 sets an emissions reduction goal of 51 per cent. relative to 2018 levels. The legislation also, like the UK, provides for five yearly carbon budgets and for sectoral emissions ceilings under advice from the Climate Change Advisory Council. On 25 October 2021 the Climate Change Advisory Council presented Ireland's first carbon budgets to the Irish government. The first carbon budget will cover the period from 2021 to 2025, requiring an average emissions reduction of 4.8 per cent. per year. The second carbon budget will cover the period from 2026 to 2030, requiring an average emissions reduction of 8.3 per cent. per year. The Irish government is required to review and approve these carbon budgets within a period of 4 months (i.e., by 25 February 2022).

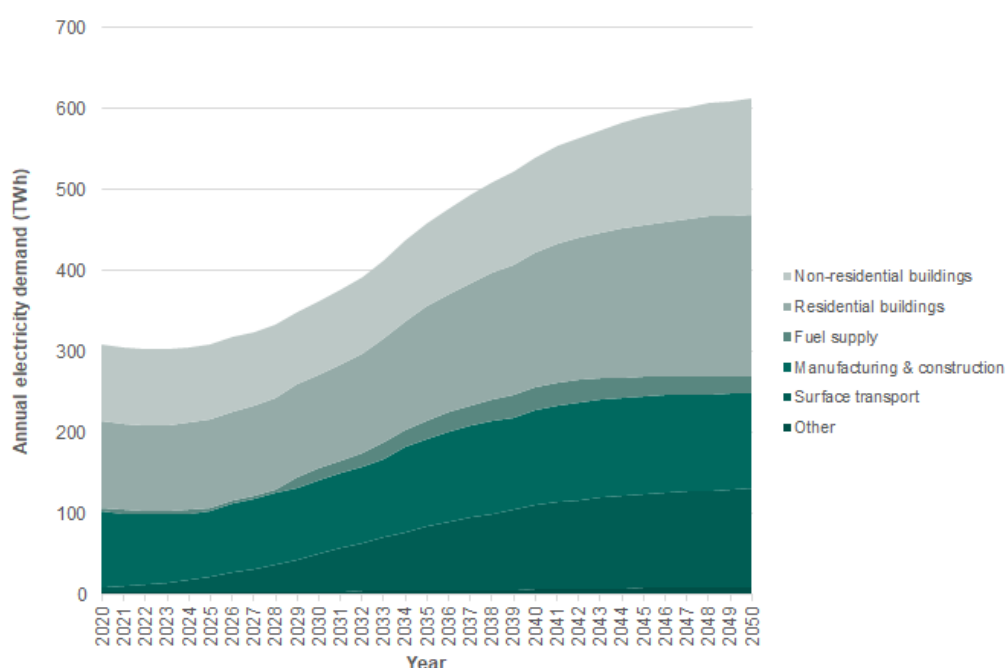
### 1.2 Growth in electricity demand

#### (a) UK

The CCC's Sixth Carbon Budget, published in December 2020, projects that electricity demand in the UK will approximately double between 2020 and 2050 in the "Balanced Pathway" scenario, from 310TWh in 2020 to 612TWh in 2050. In the four other exploratory scenarios, growth in electricity demand ranges from 1.8 to 2.2 times the 2020 levels. This doubling of demand is also consistent with modelling from BEIS as reported in the government's 2020 Energy White Paper.

**Figure 1: Projected growth in UK electricity demand to 2050**

Source: Sixth Carbon Budget, Climate Change Committee



The growth in electricity demand is driven by the requirement to decarbonise primary energy consumption such as heating, which makes up more than a third of total UK greenhouse gas emissions, and transport, which accounted for 27 per cent. in 2019<sup>1</sup>.

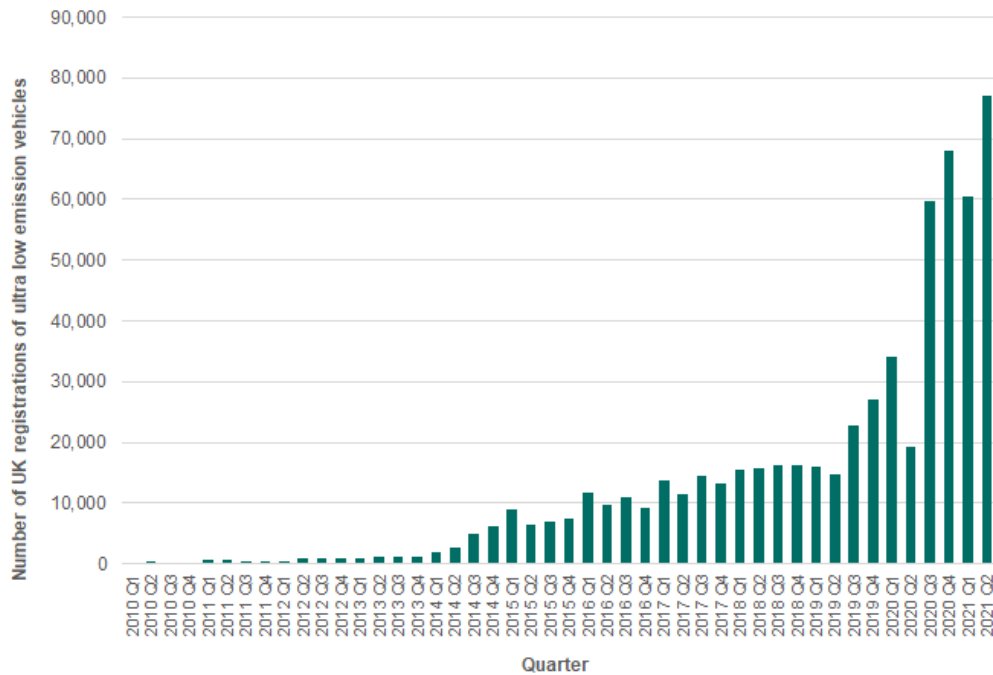
Space heating, which caused an estimated 17 per cent. of UK emissions in 2016, is a core focus of the 2020 Energy White Paper which sets a target to grow the rate of installation of heat pumps from 30,000 to 600,000 per year by 2028. The CCC goes further and estimates that an installation rate of 900,000 heat pumps per year is needed by 2028 under the Balanced Pathway scenario. As part of a broader focus on emissions from buildings, in March 2021 BEIS launched a consultation on a performance-based policy framework for large commercial and industrial buildings in England and Wales, which envisages mandatory annual ratings to score and disclose the energy impact and year-on-year improvements of buildings of more than 1,000m<sup>2</sup>. This is intended to drive owners and occupiers of buildings to reduce emissions in line with net zero goals, including with respect to energy use for space and water heating and in industrial processes. This builds on the Energy White Paper commitment to ensure that all rented non-domestic buildings must achieve an Energy Performance Certificate rating of Band B by 2030.

In the transport sector, the UK government is banning the sale of new petrol and diesel cars and vans by 2030 with the expectation that these will be replaced by electric vehicles, driving a commensurate increase in electricity demand. In the first quarter of 2021, registrations of ultra-low emission vehicles rose by 78 per cent. relative to the first quarter of 2020, including a 110 per cent. increase in light goods vehicles. For the first time, registrations of alternative fuel cars (predominantly those which are electrically powered) exceeded those for diesel cars.

## Figure 2: Registrations of new ultra-low emissions vehicles in the UK

Source: Vehicle Licensing Statistics: April to June 2021 report, Department for Transport and Driver and Vehicle Licensing Agency

<sup>1</sup> Excluding international transport

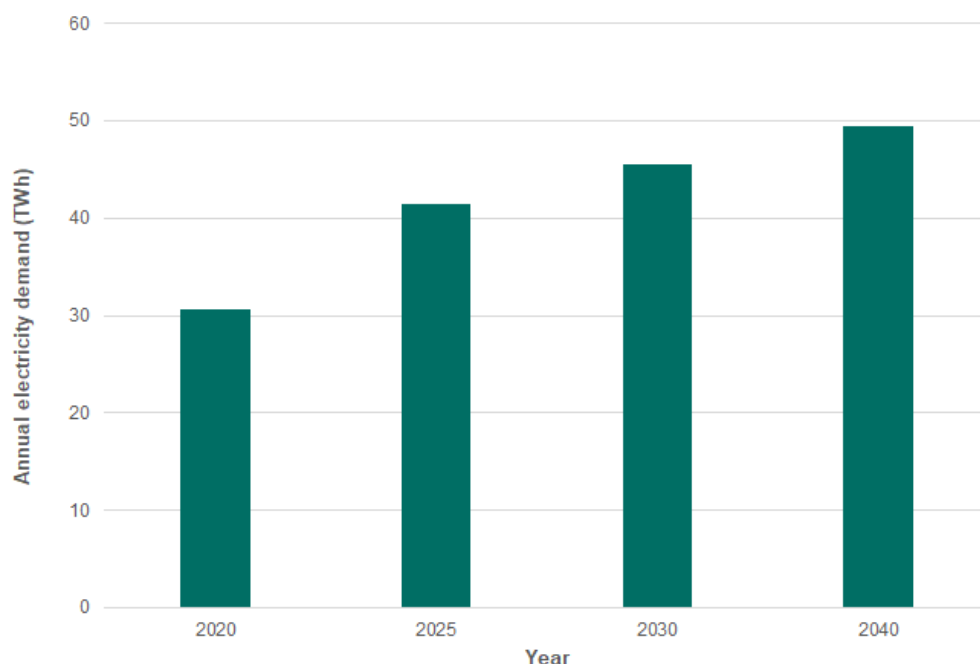


(b) Ireland

Similar factors drive projected energy increases in Ireland, whose electricity market and grid are integrated with Northern Ireland. By 2040, the transmission system operator for Ireland predicts that electricity demand will be between 1.4 and 1.6 times that for 2020. The later phase of this growth, from 2030, is largely predicated on the electrification of heat and transport, as with the UK. However, earlier growth is underpinned by increasing demand from large industrial energy users, resulting from Ireland's attractions for data centre operators. As of May 2021, data centres accounted for 11 per cent. of Ireland's electricity consumption, with data centre capacity forecast to double over the next five years.

**Figure 3: Projected growth in Irish electricity demand to 2040**

Source: “Coordinated Action” scenario in Tomorrow’s Energy Scenarios 2019 Ireland, EirGrid



### 1.3 Growth in low carbon generation capacity

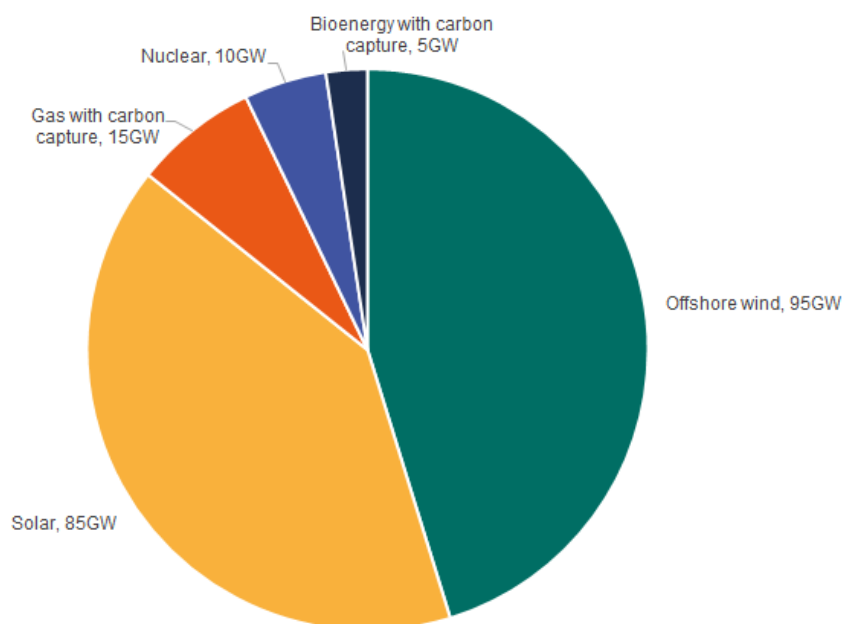
In order for the electrification of heating and transport to serve to reduce emissions from those sectors, the additional electricity demand must be met through low or zero carbon sources of generation. This includes renewable energy technologies such as solar photovoltaics (**solar PV**), onshore and offshore wind, hydroelectricity, wave and tidal. Generation from certain biofuels may also be treated as low carbon, as is nuclear energy and, where appropriately coupled with carbon capture and storage, generation from fossil fuels such as natural gas.

In order for the UK to meet the elevated demand levels projected for 2050 and as a consequence of increasing penetration of variable renewable energy, the total installed generation capacity is forecast to reach 210GW, up from 100GW in May 2021. Low carbon capacity<sup>2</sup> currently makes up half of the UK's power generating plant, but by 2050 all generation is projected to come from low carbon capacity, as shown in Figure 4.

<sup>2</sup> Excluding bioenergy and waste which are grouped together in the Digest of UK Energy Statistics

**Figure 4: Projected UK electricity generation capacity mix in 2050**

Source: “Balanced Pathway” scenario in Sixth Carbon Budget: Electricity Generation, Climate Change Committee



Wind and solar make up more than 85 per cent. of the projected 2050 capacity mix in the UK, and are expected to contribute a similar percentage of total generation.

In Ireland, renewable energy currently accounts for approximately 40 per cent. of electricity generation and the government has committed to increase this to at least 70 per cent. by 2030.

#### 1.4 Overview of solar photovoltaics

##### (a) Technology overview

Solar photovoltaics rely on semiconductor materials which generate an electrical current when they absorb light. The vast majority of commercial solar panels use crystalline silicon as the semiconductor material. This is sandwiched between layers of glass for protection, and individual cells are assembled into panels or modules which are then linked together in an array. Each array is connected to an inverter which converts the direct current generation into alternating current output for export to the grid or use directly by the consumer. The best performing commercially available solar panels currently achieve conversion efficiencies of over 21 per cent., an increase versus an average of less than 15 per cent. in 2010. This is a measure of the proportion of solar irradiance which is converted into electricity by the module. Solar cells have achieved much higher efficiencies at laboratory scale, and the trend of increasing efficiency has been an important factor in the significant reductions of the cost of generation from solar PV to date.

##### (b) Cost of energy development

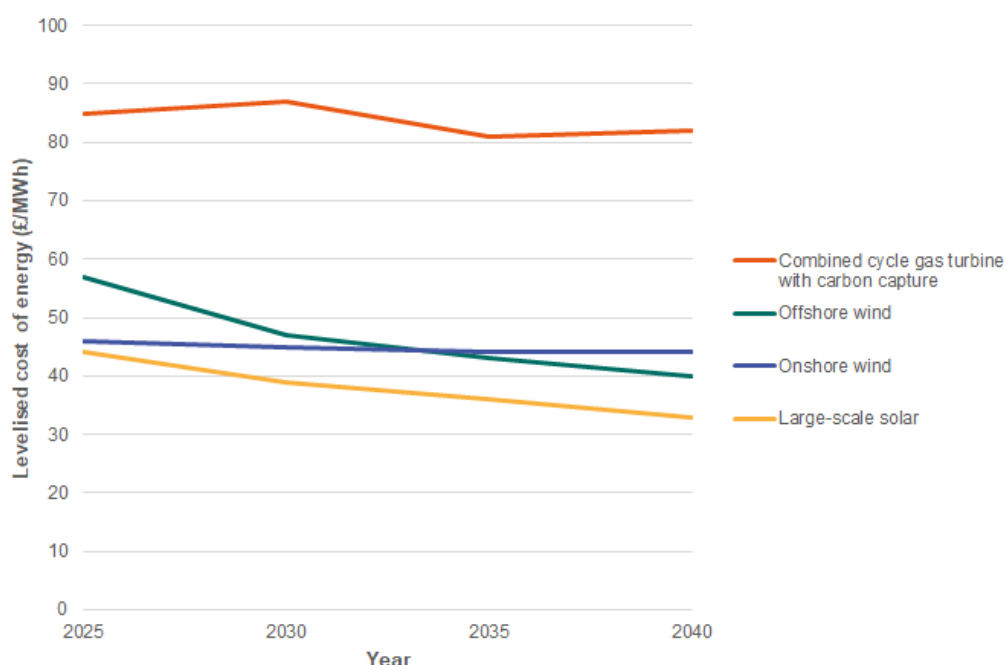
Alongside increasing efficiencies, reductions in the capital costs of modules have been a key driver in the reduction of the cost of generation from solar PV systems. The cost of crystalline silicon modules (on a per kilowatt basis) fell by 81 per cent. on average over the decade to 2020, which translated into a reduction in the global average cost per kilowatt

hour of generation of 85 per cent. over the period<sup>3</sup>. In Europe, module costs per kilowatt fell by 93 per cent. on average.

During 2021 the trend of declining costs has reversed somewhat with module costs increasing by between 1 and 9 per cent. in the first quarter of the year. This is a result of higher material costs and an imbalance in module supply and demand. However, polysilicon manufacturers are expanding capacity and it is expected that this will unwind the increases in material costs. Meanwhile, continued improvements in efficiency and manufacturing processes coupled with design innovations are expected to drive a return to the long-term trend of decreasing costs. Analysis by BEIS of the cost of generation from different technologies in the UK between 2025 and 2040 shows an expectation that larger-scale solar PV will be the lowest cost form of low carbon generation across the entire period.

**Figure 5: Forecast levelised cost of energy for low carbon technologies to 2040**

Source: Electricity Generation Costs 2020, Department for Business, Energy & Industrial Strategy



(c) Deployment potential

(i) UK

The CCC projects that solar capacity needs to increase to 85GW by 2050, relative to an installed capacity of less than 14GW in May 2021. This will require average installation rates of 3GW per year, which compares to a previous peak installation rate of 4.1GW in 2015 under the feed-in tariff regime. This demonstrates the ability of supply chains to achieve the necessary deployment rates.

UK government figures estimate that there are 2.5 billion square metres of south-facing rooftops of commercial buildings in the UK. After the application of factors to take into account the proportion of technically suitable rooftops and the total area required per unit of solar PV capacity (allowing for access, panel spacing and rooftop obstacles), this translates to an estimated installed capacity of approximately

<sup>3</sup> For utility scale generation (>5MW)



180GW. This indicates that there is ample capacity to accommodate the projected growth in overall solar PV deployment to 2050 and beyond.

(ii) Ireland

Ireland has lagged behind European counterparts in the deployment of solar PV capacity to date, with only 0.2 per cent. of electricity demand being met by indigenous solar PV in 2020. However, the Irish government has stated an intention for at least 70 per cent. of electricity to come from renewable sources by 2030, and studies have shown that a balanced mix of solar alongside wind generation is likely to have an improved emissions profile and reduced curtailment of generation relative to an energy mix dominated by wind alone. The results of Ireland's first Renewable Energy Support Scheme auction in 2020 were weighted towards solar projects, which accounted for more than 60 per cent. (796MW of the total 1.3GW) of successful capacity, and are indicative of a growing awareness of the potential for solar PV in Ireland.

## 1.5 Corporate drivers

National targets must be underpinned by action from both the public and private sector, as commercial and industrial consumers made up almost 20 per cent. of total primary energy demand in the UK in 2019. Such targets are part of an increasing focus on ESG issues as a whole, with consumers, employees and investors all demanding higher standards of ESG performance from companies.

As of August 2021, 182 companies in the UK had committed to setting net zero targets in line with the ambition to limit global warming to 1.5°C via the Science Based Targets Initiative, with a further 10 companies making this commitment in Ireland. Within the FTSE 100, analysis in September 2020 showed that 45 per cent. of companies had committed to a net zero transition by 2050, but that only 16 per cent. had a realistic strategy to meet that commitment. In particular, whilst three quarters of the FTSE 100 companies analysed disclosed Scope 3 emissions (being those indirect emissions in the company's value chain from sources outside its ownership or control), only a third had set associated reduction targets. Scope 3 emissions targets are crucial in a company's overall emissions profile since they will often make up more than 80 per cent. of the total. Whilst they are not, by definition, within the direct control of the company, they can be influenced through measures such as responsible procurement practices.

This highlights the requirement for large corporates to identify new and credible initiatives to achieve their sustainability targets, including by driving action through their value chains. One option for measurable action on emissions for both corporates and their suppliers is the installation of renewable energy capacity on site, where it can directly offset the requirement for the import of electricity from the grid at that site and has the potential to facilitate electrification of heating to further reduce reliance on fossil fuels. This consequently directly displaces the greenhouse gas emissions associated with the offset import, which will vary according to the local emissions intensity of the grid at that location. In 2019, the UK wide average greenhouse gas emissions intensity was 230gCO<sub>2e</sub> per kilowatt hour, with Ireland reporting a higher intensity of 316gCO<sub>2e</sub> per kilowatt hour.

## 1.6 Onsite Solar Assets – a differentiated approach

### (a) Introduction

The Company will seek to achieve its investment objective by investing in behind-the metre solar PV generation systems and associated infrastructure (**Onsite Solar Assets**). Onsite Solar Assets include solar photovoltaic generation systems located on rooftops.

Such rooftop solar PV systems are installed directly onto the roofs of existing buildings and the generation is used to directly meet some or all of the electricity needs of that building. Solar PV can be particularly suitable for commercial buildings since, as well as typically having larger rooftops and higher energy demands than residential properties, the energy

demand profile of the commercial user may be more heavily weighted towards daytime consumption and therefore better matched to hours of highest generation from the solar PV system.

The Company uses Onsite Solar Assets as a generic term to include all solar PV systems which are directly connected to an energy consumer rather than being connected via a public electricity network. This could therefore include, for example, a commercial user connected directly to a carport or ground-mounted solar system on land adjacent to the user's building.

A building will typically retain its connection to the public power grid in order to import electricity where necessary to meet demand which exceeds the generation from the solar PV system. This can also allow for the export of surplus generation at times of high generation and low demand, subject to grid constraints. Such surplus generation would be sold to a licensed electricity supplier at prevailing market rates.

Onsite Solar Assets offer several advantages relative to utility-scale, grid-connected solar farms, including:

- a less onerous planning regime in the UK, since rooftop projects of less than 1MW can typically be installed under permitted development rights;
- lower visual impact where the panels are installed on the roofs of existing buildings rather than at ground level;
- more efficient land use where the systems are installed on rooftops rather than requiring dedicated space on the ground which could be used for other purposes such as food production;
- faster installation programmes, since rooftop installations do not require civil works such as foundations and access roads; and
- generation at the point of use, with the advantages described in paragraph 1.6(b) of this Part 2.

(b) Generation at the point of use

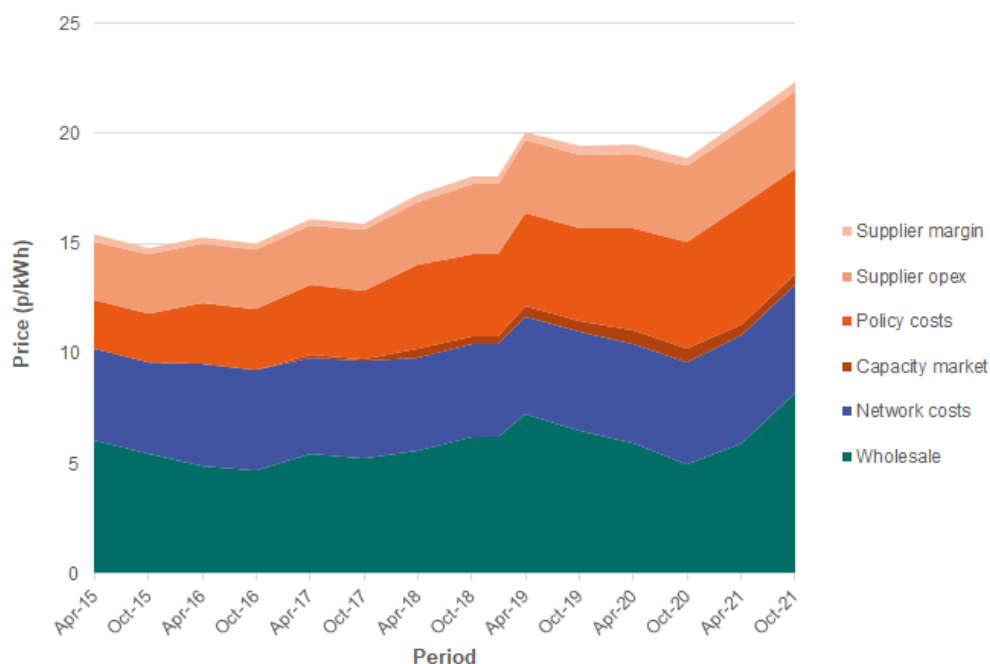
The direct connection between the Onsite Solar Asset and the energy consumer offers several key advantages for the consumer relative to electricity imported from the public grid, as described below.

(i) Economic savings

Solar PV is already one of the lowest cost forms of generation, but compares especially favourably to electricity imported from the grid. This is because the retail price of imported electricity includes charges in addition to the fundamental cost of generation of the electricity, as shown in Figure 6.

**Figure 6: Breakdown of electricity bill for grid imports**

Source: Model - Default Tariff Cap Level v1.9, Ofgem



These charges include network costs, supplier costs and final consumption levies which are applied to recover the costs of various subsidy schemes. Under Ofgem's price caps for domestic customers in the UK, the electricity cost makes up just 30 per cent. of the total price stack. Under the current regulatory regime in the UK an Onsite Solar Asset does not involve the supply of electricity by a licensed supplier (see section 1.6(e)(ii) below). The charges required to be levied as part of the supply of electricity by a licensed supplier do not therefore currently apply to the supply to an onsite consumer. Non-domestic consumers in the UK paid an average of 14.71 pence per kilowatt hour in the first quarter of 2021 for supplies from licensed suppliers, whereas the Company expects (under the current regulatory regime) to be able to typically supply electricity from its Onsite Solar Assets for 8 to 10 pence per kilowatt hour on average<sup>4</sup> across the Pipeline Assets in the current market.

(ii) Traceability of supply

As described in paragraph 1.5 of this Part 2, corporate energy consumers are increasingly under pressure to achieve sustainability goals and the use of zero carbon electricity is a fundamental contributor to emissions reductions. To date, many corporates have relied on purchasing electricity from the grid which is notionally attributed to renewable generation, most commonly through "green-badged" electricity tariffs.

In order for a supplier to offer a green tariff to domestic customers in Great Britain, it is required to submit enough green energy certificates to the regulator to match the volume of electricity sold under that tariff for the year. These certificates (Renewable Electricity Guarantees of Origin or **REGOs**) can be purchased independently of the electricity in respect of which they were originally issued, and thus a supplier can redeem certificates without having purchased the underlying renewable electricity.

<sup>4</sup> Supply price will be asset specific depending on factors including, *inter alia*, the duration of the PPA, project size, consumer profile and level of offtake commitment.

An added challenge is that the supplier cannot control the mix of electricity which is physically delivered to and consumed at a customer's premises, as this will be dictated by the mix of total generation on the grid at that location, regardless of what the customer has theoretically procured. As the supplier is only required to reconcile supply and demand on an annual basis, most green tariffs do not take account of the shorter-term matching which would be needed to provide enhanced assurance of the actual source of supply. Some businesses, notably Google, are now working towards matching their demand to local renewable energy generation on an hour-by-hour basis through the use of time stamped renewable energy certificates.

In August 2021 the UK government launched a consultation to explore concerns around "green-washing" of electricity tariffs, including the use of REGOs and the long timescales associated with the annualised matching which underpins the majority of green-badged tariffs. Onsite Solar Assets avoid such concerns as the direct connection between the generating plant and the customer ensures that there is complete traceability of the source, and thus the carbon footprint, of the electricity consumed. This is not achievable for imported electricity unless and until the entire grid achieves complete decarbonisation.

(iii) Additionality

A customer that commits to a PPA for an Onsite Solar Asset will directly contribute to the creation of new renewable energy capacity, rather than purchasing generation from existing green energy assets. An Onsite Solar Asset also has the benefit of allowing corporate consumers to clearly signal their sustainability credentials through the presence of the onsite green energy generation equipment.

(iv) Avoided grid losses

Losses in the transmission and distribution networks in the UK accounted for over 9 per cent. of final electricity consumption in 2020. With Onsite Solar Assets, generation occurs at the point of use and thus these losses are avoided. This has an economic benefit and an avoided emissions benefit.

(c) Regulatory context

(i) UK

The provision of electricity from an Onsite Solar Asset to a customer located at that site involves the regulated activities of generating electricity and supplying electricity. Under UK law (primarily, the Electricity Act 1989), each of these activities requires a licence unless an exemption applies. The distribution of electricity is also a regulated activity but is unlikely to be applicable to most Onsite Solar Assets.

The UK has maintained for a number of years an automatic exemption regime for these licensed activities. If applicable conditions for the exemption are able to be met then an exemption applies without the need to formally apply. The relevant exemption conditions are set out in Electricity (Class Exemptions from the Requirement for a Licence) Order 2001 (as amended) and are referred to as the **Class Exemptions**.

The relevant exemptions that will be utilised by the Company are:

- *The generation licence class exemption for small generators.* This applies to persons that do not provide more electrical power from any one generating station than 50MW (where the net capacity of the generating station is less than 100MW). In addition, in determining this, supply to an onsite consumer of electricity is disregarded; and

- *The supply licence exemption for onsite supply.* In general, this applies to persons who do not supply any electricity except electricity which they generate themselves and supply that electricity to one or a qualifying group of consumers who occupy premises which are on the same site as the premises where the generating station is situated. There are also additional rules to enable other consumers to fall within this scope if they are connected to the relevant premises by a private wire (that is, without passing through the grid system).

As at the date of this Prospectus, the UK government has not issued its response to a call for evidence relating to the Class Exemptions (which closed in March 2021). The objective of that call for evidence was to gather information to assess whether changes to the Class Exemptions were required. Any changes would be subject to consultation. The areas of assessment were:

- whether greater clarity needs to be given to businesses regarding the licence exemptions regime and whether there are opportunities to extend the scope of exemptions;
- in line with the UK government's aim is to ensure that all market participants, including those who are exempt, pay their fair share of administrative, policy and network costs, to assess how the class exemption regime is currently being used in order to form a view as to what a fair share of policy and network costs means for exemption holders and licence holders and the way in which the exemptions regime should be amended and operated; and
- whether the exemptions regime is aligned with the UK's legally binding commitment to bring its greenhouse gas emissions to net zero by 2050.

In terms of consents, the Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended) and the Town and Country Planning (General Permitted Development) Order 1995 (as amended) confer various permitted development rights authorising the installation of solar equipment on non-domestic premises in England and Wales. Accordingly, express planning permission for the UK Onsite Solar Assets may not be required (depending on the applicable jurisdiction within the UK), provided the proposals comply with all conditions, limitations and exclusions attached to the grant of permitted rights and there being no other impediment (for example, planning conditions or Article 4 directions excluding the availability of these rights or on-going restrictive covenants or planning obligations).

(ii) Ireland

The construction of an electricity generating station, the generation of electricity and the supply of electricity are regulated activities under Irish law, each requiring a licence from the CRU (except in certain limited cases) pursuant to the Electricity Regulation Act 1999 (as amended) (the **1999 Act**).

These CRU licences are standard and are only updated to reference limited project-specific details. However, failure to obtain or maintain any required CRU licences would mean that the relevant activity (e.g., generation of electricity) would be unauthorised under Irish law, which in effect would mean that the Onsite Solar Asset could not continue to operate and could be subjected to a fine.

The distribution of electricity is also a regulated activity under the 1999 Act, but is unlikely to be applicable to most Onsite Solar Assets.

Under the Planning and Development Act 2000 – 2021 and the associated Planning and Development Regulations 2001 – 2021, planning permission is required for rooftop solar installations unless a planning permission exemption applies. It is not expected that the Onsite Solar Assets will qualify for any such planning permission

exemptions and, as such, planning permission will be required to develop such Onsite Solar Assets. However, it is expected that rules in relation to planning permission for rooftop solar installations will change to become less restrictive and the Irish government indicated early in 2021 that the overall process for updating the solar panel planning exemptions is expected to be completed by the end of 2021.

(d) Current market

There were an estimated 2GW of commercial solar installations in the UK at the end of 2020, and this sector of the solar market is required to grow to 6.8GW by 2030 to meet the UK's net zero trajectory. There are two main options for commercial consumers intending to pursue a rooftop or other onsite solar project as part of this market growth.

The first option is a self-funded route, in which the consumer installs, owns and operates the system itself, with returns on the investment generated by the savings realised through the reduction in electricity purchased from grid together with any revenues from the sale of excess generation back to the grid. Whilst this option maximises the savings for the consumer, the following considerations may disincentivise investment:

- the consumer may not have the capacity or desire to make significant capital investments outside its core business area;
- the consumer's requirements for investment payback periods may be shorter than those which can typically be achieved through renewable energy infrastructure projects;
- the consumer is unlikely to have the specialist expertise to manage the design, installation and maintenance of a solar PV system; and
- the current UK business rates regime in respect of rooftop solar installations is more punitive where the owner of the installation is also the consumer of the majority of the generation, relative to the situation where the installation is owned by a third party. The UK Government has announced measures that may lead to a reduction in business rates from 2023 and further detail on this is awaited.

Under the second option the solar PV system is designed, funded, installed, owned and maintained by a third party, with the output sold to the consumer under a PPA. The price per unit of electricity under the PPA would typically represent a saving for the consumer relative to grid imports, whilst the revenues generated from power sales during the PPA term deliver a return on investment for the third-party owner. Under this route, the benefits of the solar PV system are divided between the consumer and the system owner, and thus the consumer's savings are reduced relative to the self-funded option. However, the consumer can generate those savings without any requirement for capital expenditure or responsibility for the continuing operations and maintenance of the system following installation.

The rooftop solar PV assets included in the Pipeline Assets are based on the second option, the third-party ownership model, with the Group intended to be the owner and operator of the systems and receiving revenues under the PPA for each asset. The contractual framework for a typical third-party owned Onsite Solar Asset is described in paragraph 11.6(e) of this Part 2.

(e) Illustrative contractual framework

(i) Overview

A typical rooftop Onsite Solar Asset would be framed by a suite of key contracts governing:

- the supply and purchase of the generation (the **PPA**);

- the lease of the airspace above the building for the installation of the solar PV system, together with any consents required from the occupier's landlord (if applicable);
- the contract for the design, procurement, installation and commissioning of the solar PV system by a subcontractor; and
- the contract for the subsequent operations and maintenance (**O&M**) of the system by a subcontractor.

(ii) Power purchase agreement

The PPA sets out the terms on which the generator will sell electricity from the array to the onsite consumer. There may be an additional PPA with a licensed supplier via which excess electricity is sold to the public grid, but the majority of generation will usually be sold via the onsite PPA. This will typically include terms describing:

- the duration of the commitment - the target term will typically be greater than 15 years from the commencement date;
- the price payable per unit of electricity, together with the applicable escalation factors – the price will be affected by, *inter alia*, the PPA term, the consumer profile, the project size and location, the roof characteristics and the proportion of generation consumed onsite;
- the volume of electricity which the consumer commits to purchase – this constitutes a take-or-pay commitment which establishes a minimum threshold for payments under the PPA, subject to certain exceptions;
- the specification of the solar PV system to be installed;
- any performance obligations on the generator – whilst the generator will not typically guarantee a minimum yield, the PPA may contain obligations around levels of performance and adherence to industry best practice; and
- any buy-out provisions – these set out a schedule of payments from the customer to the generator, declining through the PPA term, which are triggered by certain events such as the customer's vacation of the premises prior to the expiry of the PPA term.

(iii) Rooftop lease

The lease may be a direct lease (where the PPA counterparty is the owner and occupier of the building) or a sub-lease (where the PPA counterparty is itself a tenant of a superior landlord). The lease or sub-lease will typically match the term of the PPA and grant the generator the rights to install, operate and maintain the equipment on the roof and connect into the customer's electricity infrastructure, including the grid connection point.

(iv) Installation contract

The installation contract, entered into between the generator and a specialist subcontractor, is intended to reflect the design and installation obligations in the PPA. It typically includes taking-over tests designed to demonstrate the performance of the system and a defects notification period for the remedying of any faults after takeover. Equipment warranties, including performance and product warranties for the solar modules, will be assigned or registered to the generator.

(v) Operations and maintenance contract

The O&M contract is entered into between the generator and a specialist subcontractor, which is often the same party as the system installer. Contracts typically have an initial fixed term and rolling renewals, with an annual fee payable according to the installed capacity of the system. As with the installation contract, the O&M contract is intended to reflect performance obligations in the PPA, including with respect to parameters such as response times and data reporting.

## 1.7 Other Clean Energy Technologies

### (a) Overview

In accordance with the Company's investment policy, up to 30 per cent. of the Company's Gross Asset Value may be made up of investments in the area of Other Clean Energy Technologies, including onsite clean energy technologies and renewable energy capacity other than Onsite Solar Assets. In all cases, investments in Other Clean Energy Technologies must be consistent with the Company's required balance of risk and returns.

### (b) Onsite clean energy technologies

Onsite clean energy technologies are a subset of Other Clean Energy Technologies encompassing a range of onsite energy infrastructure opportunities which are typically facilitated by the Company's ownership of solar PV infrastructure at those sites, and which facilitate the reduction of greenhouse gas emissions. The majority of revenues generated by such assets is expected to be derived through contracts with a commercial counterparty. These infrastructure opportunities may include:

- electric vehicle charging infrastructure, with a focus on servicing requirements for commercial vehicle fleets;
- other demand side initiatives such as heat pumps which further reduce emissions from onsite energy use through the electrification of heating; and
- energy storage solutions, such as batteries, to the extent that the storage generates a separate revenue stream rather than solely serving to increase the proportion of solar PV generation used on site under a PPA for an Onsite Solar Asset.

It is not expected that the Net Initial Proceeds will be used for investment in the onsite clean energy technologies described here, but rather that these technologies will be considered for the Company's portfolio if and when the risk and return profile is considered to be consistent with the Company's investment objective.

### (c) Other renewable generation

Other Clean Energy Technologies also includes "other renewable generation", being all energy generation capacity other than Onsite Solar Assets, whether or not connected to a public power grid, which does not emit carbon dioxide to the atmosphere at the point of generation, and excluding nuclear generation. This may include other forms of renewable energy both behind-the-meter and as standalone grid connected projects, as well as utility scale solar projects which export generation to the public power grid.

## 2 INVESTMENT OPPORTUNITY

### 2.1 Overview

The Company's investment approach as described in this Part 2 is intended to deliver the following advantages for investors:

- (a) established pipeline of assets for origination or acquisition to allow for deployment and/or commitment of the Net Initial Proceeds within a target period of 12 months, with continuing portfolio growth opportunities thereafter;



- (b) an annual NAV Total Return target of 8 to 10 per cent. over the medium term with a target at the upper end of the range in the first 12 months from Initial Admission;
- (c) an annualised target dividend yield of five pence per Ordinary Share in the first and second financial years, with a progressive yield thereafter underpinned by long-term contracts with uplifts linked to inflation or fixed escalators;
- (d) capital growth in NAV through the introduction of leverage to reduce cost of capital and through the realisation of origination premiums, achieved through an anticipated reduction in discount rates as projects progress from Pre-Installation Assets to Operational Assets;
- (e) low exposure to volatility in wholesale power prices achieved through long-term fixed price contracts for the majority of revenues, including PPAs with onsite Contract Counterparties for output from Onsite Solar Assets;
- (f) diversification of Contract Counterparties, installation and O&M contractors, technology providers and asset locations;
- (g) avoidance of reliance on government subsidy schemes; and
- (h) proven technology with established performance credentials supported by supplier warranties.

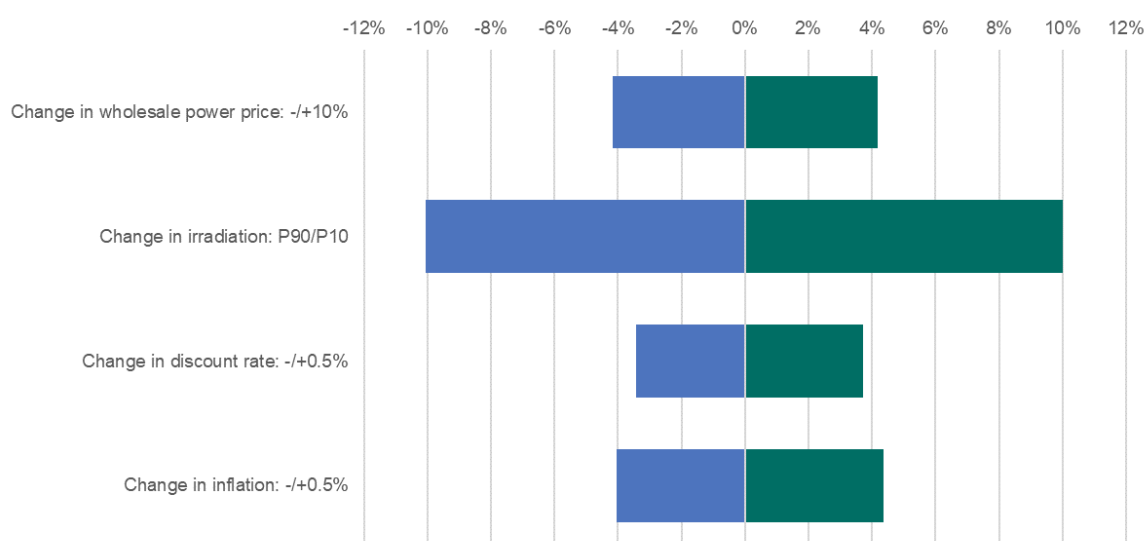
## 2.2 Illustrative portfolio sensitivity analysis

Figure 7 below shows the sensitivity of the Net Asset Value to changes in the wholesale power price, the volume of generation, the assumed discount rate and the assumed rate of inflation for an illustrative portfolio of Clean Energy Assets similar to the Pipeline Assets. For the purposes of the illustration only, it has been assumed that up to 30 per cent. of the portfolio consists of Other Clean Energy Technologies in the form of large-scale solar PV projects which sell their electricity via the public grid, and thus has medium and long-term exposure to changes in the wholesale power price. Onsite Solar Assets, which will comprise the majority of any portfolio in accordance with the Company's investment policy are expected to have significantly lower sensitivity to changes in the wholesale power prices since most revenues are typically derived through long-term fixed price PPAs.

- 2.1 The change in generation volume sensitivity is based on a change in assumed irradiation levels for the duration of each asset's operating life. The central case uses a P50 estimate, which is considered appropriate for long-term forecasting since it represents an average value. The downside case applies a reduction in generation equivalent to the difference between this P50 estimate and a P90 estimate for a typical site in the UK. The P90 estimate represents the irradiation level which is, statistically, expected to be achieved or exceeded 90 per cent. of the time. The upside case applies an increase in generation equivalent to the difference between the P50 estimate and a P10 estimate for a typical site in the UK. The P10 estimate represents the irradiation level which is, statistically, expected to be achieved or exceeded 10 per cent. of the time.

Figure 7: Net Asset Value sensitivity for illustrative portfolio of Clean Energy Assets

Source: Investment Adviser analysis



### 3 INVESTMENT APPROACH

#### 3.1 Investment strategy

The Company's investment strategy is to source and manage assets in line with its investment objective through implementation of a rigorous origination and investment process in conjunction with a comprehensive asset management approach.

The Company will deliver its investment strategy via the Investment Adviser through pre-agreed delegated authorities granted to the Holdco Board by the Company and the AIFM. The directors of the Holdco Board will be provided by the Investment Adviser. The Investment Adviser will adopt a formalised review process, incorporating ESG factors at all stages of the asset lifecycle, and the delegated authorities to be granted by the Company and the AIFM to the Holdco Board are conditional upon adherence to this review process.

The review process is designed to ensure that the Board retains control of the delivery of the Company's investment policy and investment strategy, whilst providing the Investment Adviser with the mandate to execute that strategy, through the delegated authorities granted to the Holdco Board. This is intended to facilitate timely execution of the strategy, despite the large number of smaller individual assets which are expected to make up the portfolio, whilst maintaining appropriate controls and governance.

The Investment Adviser will conduct a review of its approach to delivery of the investment strategy on a half-yearly basis. Any resulting revisions to the investment strategy are subject to agreement by the Board and the AIFM, at which time the Board and the AIFM will also either confirm or amend any delegated authorities granted to the Holdco Board.

#### 3.2 Sourcing investments

The Investment Adviser expects to source assets via a range of key routes as described below. Before entering into any origination relationship, the Investment Adviser will undertake due diligence on the origination counterparty, including a review of its ESG practices and, where appropriate, procurement policies.

##### (a) Off-taker relationships

The first source of potential origination opportunities is via the Investment Adviser's relationships with corporate entities with energy demand at their sites. For larger entities with multiple sites the Company will typically seek framework agreements which allow for the roll-out of systems across that counterparty's estate via a template suite of the key contracts for each asset. To enable the entry into of framework agreements with counterparties with an international footprint, the Company's investment policy permits it to invest up to 15 per cent. of its Gross Asset Value in other OECD countries other than the UK and the Republic of Ireland.

(b) Landlord relationships

The Investment Adviser has also developed relationships with property landlords which let commercial premises to tenants. Such landlords may provide access to their tenants in order to allow the Company to present solar PV system opportunities to reduce electricity costs and price volatility whilst contributing to sustainability goals for the tenant and improving the energy performance of the building for the landlord. The landlord may also receive a payment from the Group in respect of the use of the rooftop space for the solar PV system. The Company has entered into a non-legally binding heads of terms of this type with Supermarket Income REIT plc in respect of origination opportunities across its property portfolio. As for those origination opportunities sourced via off-taker relationships, the Company has some flexibility through its investment policy to provide a full offering to landlords with portfolios extending into other jurisdictions.

(c) Contractor relationships

Installation contractors often offer customers either a self-funded or third-party funded solution when marketing solar PV systems. Through its relationships with installation contractors the Investment Adviser is well positioned to nominate the Company to act as the third-party funder and owner where a customer selects this option for delivery of a rooftop solar project. The Investment Adviser has consequently established exclusivity arrangements and preferred funder status in respect of a range of Pipeline Assets.

(d) Other acquisition opportunities

The Company is primarily focused on the origination of new assets since this provides both the greatest potential for NAV appreciation and a higher impact in terms of the growth of renewable energy capacity. However, the acquisition of Operational Assets may provide an accelerated route to scale within the Company's portfolio and thus improve the options for the introduction of leverage and the reduction of the cost of capital. Accordingly, the Investment Adviser will also review opportunities for the acquisition of Operational Assets.

*Forward funding opportunities*

The Company may also agree to forward fund by way of secured loans the pre-installation and/or installation costs of Clean Energy Assets for which it retains the right (but not the obligation) to acquire the relevant plant once operational. Whilst the Company does not typically expect to provide forward funding, the ability to do so in accordance with the Company's investment policy will enable the Company to retain flexibility in the event of changes in the asset pipeline over time. It is expected that such forward funded projects will most likely be Installation Assets although it is possible that there could be, in the future, a small amount of Pre-Installation Assets.

Where any forward funding is agreed, it is currently anticipated that the funding would include rights to the project in the event of any default of the borrower, for example by way of a charge over the shares and assets of the project development vehicle. Any forward funding would be conditional on satisfactory due diligence of the key project contracts and counterparties and, where appropriate, entry into direct agreements for those key contracts. It is also currently expected that forward funding would typically be conditional on the granting of security over the funded assets.

### 3.3 Assessment of investment opportunities

(a) Initial screening

The Investment Adviser will undertake an initial review of all prospective investment opportunities against the Company's investment objective and its investment policy. In particular, this initial screening will include:

- preliminary ESG assessment to include initial negative screening and estimate of avoided greenhouse gas emissions;
- review of expected financial returns from the project;
- assessment of the credit profile of the proposed off-taker and contractors; and
- proposed PPA term.

The results of the initial screening process will be reviewed by the Investment Adviser who will determine whether to progress the opportunity to the due diligence phase.

(b) Due diligence

The Investment Adviser will undertake a detailed due diligence exercise in respect of each opportunity which progresses from the initial screening phase. This exercise includes:

- ESG assessment – including confirmation that counterparties pass the negative screening phase, review of asset exposure to climate change impacts, estimate of avoided greenhouse gas emissions, modern slavery screening and any other anticipated ESG impacts of the investment;
- economic returns – confirmation that the potential asset delivers returns which support the Company's target returns policy and existing portfolio mix based on an asset financial model and sensitivity analysis;
- credit risk analysis – assessment of the counterparties against defined credit risk metrics using third-party scoring;
- site assessment – review of site parameters including roof suitability, grid export capacity, potential for future investment in follow-on capacity or onsite energy solutions, and an assessment of the site's potential for use by other occupiers should the initial Contract Counterparty vacate the premises for any reason;
- design review – including assessment of irradiation, optimal array size and configuration, level of projected onsite consumption based on Contract Counterparty demand profile, equipment warranties, suppliers and performance history, and proposed installation programme and approach;
- health and safety review – including confirmation of compliance to industry best practice and development of appropriate method statements and risk assessments; and
- contractual review – assessment of negotiated contractual framework, including with respect to appropriate pass through of performance obligations to the installation or O&M contractor, and buy-out provisions for specified PPA termination events.

Where appropriate, third-party specialist advisers will be used to provide reports as part of the due diligence phase. The Investment Adviser will also maintain a project risk register, in which it will record asset specific risks, including those relating to ESG factors, against a pre-determined list, and detail mitigating measures and monitoring to ensure residual risks are controlled over the asset lifecycle.

Where the Investment Adviser concludes that the due diligence phase supports a recommendation to invest and provided that the proposed investment is aligned with the Company's investment strategy, the opportunity will be presented to the Investment Adviser's investment committee (the **Investment Committee**) and the Holdco Board for consideration and approval as described in paragraph 3.3(c) of this Part 2.

(c) Investment approval process

The delegated authorities granted to the Holdco Board by the Company and the AIFM will allow it to execute transactions subject to compliance with the investment policy and investment strategy of the Company. The delegated authorities will also limit the execution power of the Holdco Board to transactions below a designated value and that will facilitate the delivery of the Company's targeted NAV Total Return.

This is intended to facilitate the timely execution of the investment strategy of the Company, despite the large number of smaller individual assets which are expected to make up the portfolio, whilst maintaining appropriate controls and governance.

The Holdco Board is responsible for the approval of each transaction under the delegated authorities from the Company and the AIFM. Transactions which do not meet the delegated authority criteria would be subject to approval by the Board.

The Investment Adviser will make a recommendation to the Holdco Board following the submission of a detailed investment paper to the Investment Committee. The investment paper will be in a standardised format and will set out detail on the following:

- asset returns and impact on fund returns;
- ESG asset specific opportunities, including CO<sub>2e</sub> saved, carbon payback (where available), new capacity created and number of employees at Contract Counterparty location;
- ESG asset specific risks based on a standardised list (for example risk of flooding of the property, modern slavery and health and safety);
- any atypical contract, design or site features;
- PPA terms and credit analysis of the Contract Counterparty;
- summary of the property fundamentals, such as location and site characteristics, together with outlook for re-letting in the event of vacation of the premises by the current occupier; and
- project timeline.

As at the date of this Prospectus, the Investment Committee is comprised of Ben Green, Lara Townsend and Natalie Markham, each of whom has a strong track record in the assessment of investment decisions. At least two of the three members must be present for a committee to be quorate. Biographies of the current members of the Investment Committee are set out in paragraph 3 of Part 3 (*Directors, Management and Administration*) of this Prospectus.

Unanimous consent of all attending members of the Investment Committee is required for a recommendation to be approved for submission to the Holdco Board. Two members of the Investment Committee, Natalie Markham and Lara Townsend, are also directors of Holdco. Following approval by the Investment Committee, these individuals will approve the investment recommendation on behalf of the Company under Holdco's delegated authority.

The delegated authorities granted to the Holdco Board by the Company and the AIFM will only allow it to execute transactions subject to compliance with the investment strategy and investment policy of the Company. The delegated authorities will also limit the execution power of the Holdco Board to transactions below a designated value and that will facilitate delivery of the Company's targeted NAV Total Return. Transactions which do not meet the delegated authority criteria will be subject to approval by the Board.

The Board will retain control of the activities of Holdco by virtue of Holdco being a wholly owned subsidiary of the Company. Membership of the Holdco Board is determined by the Company and it has the ability to remove any member of the Holdco Board at any time. The performance of the Holdco Board will be reviewed by the Board at least annually.

The Investment Adviser will prepare quarterly reports for the Board of the Company and the AIFM setting out summary information in respect of the transactions concluded for the preceding period.

### 3.4 Portfolio management

#### (a) Overview

Throughout the investment lifecycle the Investment Adviser will manage the Company's portfolio of assets and the origination of new opportunities to ensure delivery of the Company's investment objective.

#### (b) Installation

During the installation phase the focus will be on management of the installation contract to ensure that the contractor's deliverables are achieved, that sourcing and procurement are in line with the Company's ESG objectives, and that the Group's obligations to the Contract Counterparty can be satisfied. The taking-over tests under the installation contract will typically be structured to include a performance test, with certification of the test results undertaken by a third-party engineer. The Investment Adviser will seek to ensure that delays in achieving takeover or failure to meet performance targets are subject to a liquidated damages regime to compensate the Group in respect of a reduction or delay in generation of revenue. Following takeover, a defects liability period of up to 24 months requires the contractor to remedy faults at its own expense.

#### (c) Operations

Initially, it is expected that the Company will appoint an external asset manager to monitor the operational performance of the assets, with maintenance services provided by a selection of pre-qualified O&M contractors. Each O&M contract is intended to include performance and reporting metrics designed to ensure the Group can fulfil its continuing commitments to the Contract Counterparties. The asset manager's role will be to monitor performance of the assets and O&M contractors and aggregate data for reporting, as well as ensuring early identification and resolution of any issues. The asset manager may also manage ancillary arrangements such as asset insurance renewals, and entry into PPAs for sale of surplus generation to licensed suppliers. It is the Company's expectation that, during the operations phase and once it has amassed a sufficient portfolio of operating assets, it will seek to introduce long-term debt against those assets in order to leverage returns.

#### (d) End of life

The Company's expectation is that Onsite Solar Assets will typically be transferred to the Contract Counterparty at expiry of the PPA term or upon implementation of any buy-out provisions. However, there may be opportunities for entering into a replacement PPA, including where the site is suitable for re-powering with updated equipment. In the event that the Company is required to decommission a site this would be carried out in accordance with the prevailing industry best practice, including with respect to the recycling of equipment and materials. Solar PV modules are well-suited to recycling, being

composed of glass, metals, plastic and silicon. A dedicated facility in France already achieves recovery rates of 95 per cent. for silicon panels of the type used in rooftop installations.

(e) Exit

The Company's intention is to be a long-term holder of assets for the duration of the term of the relevant PPA. However, the Company is committed to the evaluation of asset divestment opportunities where such divestment would be in the interests of the Company's shareholders.

## 4 PIPELINE ASSETS

- 4.1 The Investment Adviser has identified opportunities for investment in prospective Clean Energy Assets which are expected to be suitable for inclusion in the Portfolio of Clean Energy Assets (the **Pipeline Assets**), summary information of which is set out below. The Pipeline Assets are at varying stages of negotiation and, whilst the Investment Adviser has entered into exclusivity arrangements in respect of a number of the Pipeline Assets as described in paragraph 4.2 of this Part 2, the Company has not entered into binding agreements to acquire or invest in any of the Pipeline Assets and there is no guarantee that the Company will ultimately acquire or invest in any of these assets. The Company expects that new opportunities will continue to be added to the Pipeline Assets as part of the prosecution of the investment strategy.

Category	Pipeline Assets (MW)	Pipeline Assets (£m)
<b>Total Pipeline Assets</b>	499	318
<b>Geographical distribution</b>		
England	446	286
Republic of Ireland	35	21
Scotland	11	7
Northern Ireland	4	2
Wales	3	2
<b>Asset size</b>		
< 1MW	178	116
≥ 1MW and < 5MW	175	120
≥ 5MW	146	82
<b>Counterparty size by group annual turnover</b>		
< £50m	233	145
≥ £50m and < £250m	17	13
≥ £250m	249	160

<b>Counterparty sector</b>		
Supermarkets	198	128
Industrial	123	88
Other	114	59
Other food supply chain	26	17
Pharmaceuticals	25	15
Logistics	13	10
<b>Asset status</b>		
Pre-Installation Assets	490	309
Installation Assets	9	9
<b>Asset type</b>		
Onsite Solar Assets	404	270
Other Clean Energy Technologies (grid connected solar PV)	95	48

## 4.2 Exclusivity arrangements

The Investment Adviser has to date entered into three exclusivity agreements with installers or owners of Onsite Solar Assets. These installers have developed in aggregate 71MW of project opportunities for which the Investment Adviser has been granted a fixed period of exclusivity. For each Pre-Installation Asset opportunity, the installer has identified and progressed discussions with a potential customer for an Onsite Solar Asset. In some cases, the Onsite Solar Asset has been constructed and is available to acquire as an Operational Asset from the current owner. In the majority of cases, however, the prospective assets are Pre-Installation Assets for which the key terms of the relevant PPA have been agreed in principle with the Contract Counterparty.



## Part 3

### Directors, Management and Administration

#### 1 DIRECTORS

The Directors are responsible for the determination of the Company's investment policy and have overall responsibility for the Company's activities, including the review of investment activity and performance and the control and supervision of the Company's service providers.

All of the Directors are non-executive and are independent of the AIFM and the Investment Adviser. The Directors will meet at least four times per annum.

The Directors are as follows:

##### ***Juliet Davenport OBE, Chair***

Juliet was awarded an OBE in 2013 for services to renewables and has spent her entire career in the energy sector creating solutions to combat climate change.

In 1998, Juliet founded the AIM-listed company Good Energy Group plc, a 100 per cent. renewable energy utility specialising in decentralised small-scale renewables. In her role as CEO she oversaw its growth to a £130 million turnover business, including developing over 100MW of renewable assets. Juliet stepped down as CEO in 2021, moving to a non-executive board director role and chairing the Good Energy subsidiary, Zap-Map.

Juliet has a wealth of non-executive and advisory experience. She serves on the board of the Crown Estate and supports its integration of sustainability across the organisation together with the development of renewables on Crown property. She is also a council member of Innovate UK.

Juliet has had various appointments with academic organisations and think tanks focusing on sustainability and innovation, including the University of Wales, Grantham Institute at Imperial College and London School of Economics, and the Smith School of Enterprise and the Environment at the University of Oxford.

##### ***Marlene Wood, Chair of Audit Committee***

Marlene is a chartered accountant with a broad range of experience in both private and public sectors. She is currently a non-executive director and chair of the audit committee for RM Infrastructure Income PLC, Home REIT PLC and GCP Student Living PLC<sup>5</sup>.

She was formerly deputy chair and finance committee chair for the Scottish Funding Council for Further and Higher Education. She spent 20 years with the Miller Group, a major UK property business, predominantly as finance director for Miller Developments, the property development and investment arm, and latterly as group accounting and treasury director.

##### ***Faye Goss***

Faye has extensive experience as a property lawyer and senior business adviser. She trained as a real estate solicitor and worked for both CMS and Brian Cave Leighton Paisner LLP.

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<sup>5</sup> GCP Student Living PLC is currently in receipt of a recommended cash offer for the company from a consortium of Scape Living PLC and iQSA Holdco Limited to be funded by their respective primary shareholders being funds managed by APG and funds advised by The Blackstone Group International Partners LLP. If completed, this transaction is expected to conclude in Q4 2021 at which point this role will cease.

Faye spent over 11 years at Tesco PLC where she led Tesco's group property legal function with responsibility across its international and domestic property portfolio. Faye's responsibilities included oversight of Tesco's carbon reduction commitments such as the roll-out of solar panels across the estate and the associated offtake arrangements. Faye also led and implemented group-wide risk management and governance processes. Prior to leaving Tesco, Faye held the role of Group Corporate and Property Legal Director with accountability encompassing legal oversight of group finance, M&A and group procurement.

## **2 AIFM**

The Company has appointed JTC Global AIFM Solutions Limited as the Company's alternative investment fund manager pursuant to the AIFM Agreement under which it provides alternative investment fund manager services, providing guidance to the Company on its compliance with the requirements of the AIFM Directive that apply in respect of the marketing of the shares of the Company in the UK, and undertaking risk management subject always to the overall policies, supervision and review of the Board.

The AIFM, JTC Global AIFM Solutions Limited, is a limited liability company incorporated in Guernsey on 9 January 2017 under The Companies (Guernsey) Law, 2008, as amended, with company number 62964. The AIFM is licensed by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, to conduct certain restricted activities in relation to collective investment schemes. The registered office of the AIFM is Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT and its telephone number is +44 (0) 1481 702400.

A summary of the AIFM Agreement is set out in paragraph 8.2 of Part 8 (*Additional Information*) of this Prospectus. Details of the fees and expenses payable to the AIFM are set out in paragraph 6 of this Part 3 below.

## **3 INVESTMENT ADVISER**

The Company and the AIFM have appointed Atrato Partners Limited (the **Investment Adviser**) to provide certain services in relation to the Company and its portfolio, which include advising in relation to financing and asset management opportunities. In addition, the Investment Adviser will provide certain administrative services under the Investment Advisory Agreement, including the calculation of the Company's Net Asset Value and the NAV per Share and preparation of the Company's financial statements.

The Investment Adviser, via its Affiliates and their respective employees and directors, intends to subscribe for approximately two million Ordinary Shares pursuant to the Initial Issue.

The Investment Adviser was incorporated on 20 December 2016 under the Companies Act, with registered number 10533101.

A summary of the Investment Advisory Agreement is set out in paragraph 8.3 of Part 8 (*Additional Information*) of this Prospectus. Details of the fees and expenses payable to the Investment Adviser are set out in paragraph 6 of this Part 3 below.

The core management team of the Investment Adviser (whose details are set out below) is supported by a wider team of other accounting, asset management, compliance, public relations, administrative and support staff. The key individuals responsible for executing the Company's investment strategy at the Investment Adviser are:

### **Ben Green, Principal and member of the Investment Committee**

Ben is a principal at the Investment Adviser and responsible, with Steve Windsor, for leading the development and execution of the firm's long-term strategy. Ben is a member of the Atrato Group leadership team and a member of the Investment Committee.

Ben has over 20 years of experience structuring and executing real estate transactions, having completed more than £3.5 billion of sale and leaseback transactions with major occupiers including Barclays, the BBC and Tesco.

Ben qualified as a lawyer in 1997 and began his career at Wilde Sapte and Linklaters LLP. He left law in 2000 and has since spent his banking career at Barclays, Goldman Sachs where he was Managing Director, European Head of Structure Finance and most recently Lloyds Bank Commercial Banking where he was Managing Director, running a team providing corporate finance services to corporate, infrastructure and commercial real estate clients. Ben studied jurisprudence at The Queen's College, Oxford.

#### **Steve Windsor, Principal**

Steve is a principal at the Investment Adviser and responsible, with Ben Green, for leading the development and execution of the firm's long-term strategy. Steve is a member of the Atrato Group leadership team.

Steve has over 20 years' experience specialising in finance and risk management, and is an expert in capital markets, risk management and financing. Steve spent 16 years at Goldman Sachs, becoming a partner in 2008, and headed Goldman Sachs' European, Middle East and African Debt Capital Markets and Risk Management businesses from 2010 until 2016. Steve has helped and advised a number of FTSE 100 companies on how to finance their business and manage risk. Steve was a member of the Goldman Sachs Investment Banking Risk Committee from 2015 to 2016. Steve started his career in the Global Trading Division of JP Morgan Chase in 1998.

#### **Gurpreet Gujral CFA, Managing Director, Renewable Energy**

Gurpreet has more than 15 years of renewable energy experience, including seven years with the Macquarie Group where he worked in the principal investment team at the Green Investment Group (**GIG**) and in the equities business as the lead renewable energy analyst. At GIG Gurpreet worked across the full spectrum of renewable energy and in particular in the syndication of the group's principally owned assets. This included over 1GW of generation capacity within the solar PV, onshore wind, offshore wind and waste to energy sectors. Gurpreet also helped to co-ordinate and structure the sale of infrastructure assets including a fibre-to-the-home network connected to one million building units in Spain, and the sale of a £300 million industrial and commercial energy meter portfolio to a leading infrastructure investor in the UK.

#### **Francisca Wiggins, Director, Renewable Energy**

Francisca has over 10 years of experience in project development in the renewable energy sector, with a particular focus on new technologies. She was instrumental in the financing and build of the world's largest tidal stream energy array, MeyGen, and has extensive transaction experience in development and acquisition of energy assets in her role as the Commercial Director for an AIM-listed renewable energy project developer. Francisca has a degree in Mechanical Engineering with Renewable Energy (MEng (Hons)) from the University of Edinburgh.

#### **Jon Ashford, Head of Engineering, Renewable Energy**

Jon spent 9 years as the Head of Engineering, Energy and Sustainability in the Sainsbury's property division, where he was responsible for carbon reduction planning and the application of renewable energy across the Sainsbury's portfolio. Before this, he spent seven years in the Tesco property division, latterly as the Head of Engineering and Energy. Most recently, Jon has served as the Director of Operations for a provider of electric vehicle rapid charging services.

#### **Lara Townsend, COO, MD Origination and member of the Investment Committee**

Lara joined the Investment Adviser in 2018 and is a member of the Atrato Group leadership team and the Investment Committee. Lara is responsible for the Atrato Group's corporate development

activities and oversees the group's operations as COO of the Atrato Group. She has more than 20 years' experience of infrastructure and asset finance.

During her time at the Atrato Group she has led on the development and execution of the firm's private mandate activity and the associated acquisition processes. She also has responsibility for the establishment and integration of the Atrato Group's ESG strategy alongside the CFO and manages the team's compliance and legal function. Prior to joining the Atrato Group she was a director within Lloyds Bank's capital markets division, where she focused on the provision of funding for real estate and infrastructure projects.

Lara studied Economics and Business Studies at the University of Edinburgh.

#### **Natalie Markham, Chief Financial Officer and member of the Investment Committee**

Natalie is the Chief Financial Officer for the Atrato Group and is responsible for the management of its finance function, including for Supermarket Income REIT plc. Natalie is a member of the Atrato Group leadership team and chair of the Investment Committee. Natalie has over 20 years' experience in real estate finance and accounting, having held senior management and financial management positions in real estate investment companies.

Natalie spent 8 years at Macquarie Global Property Advisors Europe, where she was chief financial officer, a member of the MGPA European management team and a director of the MGPA European advisory business. Natalie was involved in the development of business strategy and financial planning, and responsible for all aspects of the financial management of the business.

Natalie qualified as a chartered accountant in 2000 and is a fellow of the Institute of Chartered Accountants of England and Wales.

## **4 COMPANY SECRETARY**

Throgmorton UK Limited, an Apex Group company, has been appointed to provide company secretarial services and a registered office to the Company.

A summary of the Company Secretarial Services Agreement is set out in paragraph 8.4 of Part 8 (*Additional Information*) of this Prospectus. Details of the fees and expenses payable to Throgmorton are set out in paragraph 6 of this Part 3 below.

## **5 REGISTRAR AND RECEIVING AGENT**

Link Market Services Limited has been appointed to provide registrar services to the Company pursuant to the Registrar Agreement. Under the Registrar Agreement, the Registrar has responsibility for maintaining the register of Shareholders, receiving transfers of Shares for certification and registration and receiving and registering Shareholders' dividend payments together with related services from Initial Admission.

Link Group (the trading name of Link Market Services Limited) has also been appointed to act as the receiving agent in relation to the Initial Issue under the terms of the Receiving Agent's Agreement.

Summaries of the Registrar Agreement and the Receiving Agent's Agreement are respectively set out in paragraphs 8.5 and 8.6 of Part 8 (*Additional Information*) of this Prospectus. Details of the fees and expenses payable to the Registrar are set out in paragraph 6 of this Part 3 below.

## **6 FEES AND EXPENSES**

### ***Formation and initial expenses***

The formation and initial expenses of the Company are those which are necessary for the incorporation of the Company, Initial Admission and the Initial Issue. These expenses include fees and commissions payable under the Placing Agreement (including all fees, commissions and

expenses payable to Alvarium Securities), the Receiving Agent's fees, Initial Admission fees, printing, legal and accounting fees and any other applicable expenses which will be met by the Company and will be paid on or around Initial Admission out of the Gross Initial Proceeds. The expenses will be written off immediately following Initial Admission. Such costs and expenses are expected to be approximately 2 per cent. of the Gross Initial Proceeds. Assuming 150 million Ordinary Shares are issued pursuant to the Initial Issue resulting in Gross Initial Proceeds of £150 million, the costs and expenses of the Initial Issue payable by the Company will be approximately £3 million.

### ***Ongoing annual expenses***

Ongoing annual expenses will include the following:

(a) AIFM

Under the AIFM Agreement, the AIFM will receive a fee calculated at the rate of 0.04 per cent. of the Company's latest prevailing Net Asset Value, subject to a minimum of £50,000 per annum.

(b) Investment Adviser

Under the Investment Advisory Agreement, the Investment Adviser is entitled to the following fees:

- an annual fee payable quarterly in arrears in respect of the accounting and administration services provided to the Company and Holdco equal to £50,000; plus 0.02 per cent. of the Adjusted NAV in excess of £200 million up to and including £500 million; plus 0.015 per cent. of the Adjusted NAV in excess of £500 million;
- a management fee payable monthly in arrears at the rate of (i) 1/12th of 0.7125 per cent. of Adjusted NAV up to or equal to £500 million; and (ii) 1/12th of 0.5625 per cent. of the Adjusted NAV above £500 million (the **Monthly Management Fee**); and
- a management fee payable semi-annually in arrears at the rate of: (i) 1/2 of 0.2375 per cent. of the Adjusted NAV up to or equal to £500 million; (ii) 1/2 of 0.1875 per cent. of Adjusted NAV above £500 million (the **Semi-Annual Management Fee**).

Together, the Monthly Management Fees and the Semi-Annual Management Fees payable each year equate to an annual management fee of 0.95 per cent of the Adjusted NAV up to and including £500 million and an annual management fee of 0.75 per cent of the Adjusted NAV above £500 million, with the Semi-Annual Management Fees payable each year representing 25 per cent. of the total annual management fees payable to the Investment Adviser.

In accordance with the Investment Advisory Agreement, the Company and the Investment Adviser have agreed that an amount equal to the Semi-Annual Management Fee (after making an allowance for tax payable by the Investment Adviser) will be applied by the Investment Adviser or any connected person nominated by it in acquiring new Ordinary Shares. The Investment Adviser has agreed, subject to certain exceptions, not to dispose of such Ordinary Shares for a period of 12 months from the date of their acquisition.

Where the Ordinary Shares are trading at a discount to the prevailing Net Asset Value per Ordinary Share, the Investment Adviser (or any connected persons nominated by it) will apply the relevant amount (inclusive of stamp duty, dealing fees and commissions) in acquiring the Ordinary Shares in the secondary market.

Where the Ordinary Shares are trading at a premium to the prevailing Net Asset Value per Ordinary Share and subject to the requirements of the Listing Rules not to issue new

Ordinary Shares or sell Ordinary Shares out of treasury for cash at a price below the prevailing Net Asset Value per Ordinary Share unless they are first offered pro rata to existing Shareholders, the Company may, at the absolute discretion of the Board, satisfy its obligation to pay the Semi-Annual Management Fee to the Investment Adviser by the allotment and/or sale of Ordinary Shares to the Investment Adviser (or a connected person nominated by it) and/or by paying the Semi-Annual Management Fee in cash to the Investment Adviser (or a connected person nominated by it) in order to make purchases of Ordinary Shares in the secondary market (inclusive of stamp duty, dealing fees and commissions and, in each case, after making an allowance for tax payable by the Investment Adviser).

The Investment Adviser is also entitled to receive annual fees in respect of the accounting and administration services it provides to any SPVs at the rate of: (i) £800 per Clean Energy Asset held by the Group up to 100 Clean Energy Assets; and (ii) £650 per Clean Energy Asset for each Clean Energy Asset held by the Group in excess of 100 Clean Energy Assets, such fees to be subject to an annual increase by reference to the UK retail price index.

(c) Company Secretary

Under the terms of the Company Secretarial Services Agreement, Throgmorton is entitled to receive a company secretarial fee of £70,000 per annum for the provision of certain company secretarial services to the Company.

Throgmorton is entitled to additional fees for providing company secretarial services to any SPVs and for providing any additional services to the Company which are outside the scope of the company secretarial services covered by the company secretarial fee referred to above.

(d) Registrar

Under the terms of the Registrar Agreement, the Registrar is entitled to an annual maintenance fee per Shareholder account per annum subject to a minimum annual fee from Initial Admission. The Registrar is also entitled to certain transaction fees under the Registrar Agreement.

(e) Directors

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chair, the initial fees will be £37,500 for each Director per annum. The Chair's initial fee will be £50,000 per annum. In addition, the Chair of the Audit Committee will receive an additional fee of £5,000 per annum.

Each of the Directors will also be entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, board or committee meetings or otherwise in connection with the business of the Company. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

(f) Other operational expenses

Other ongoing operational expenses (excluding fees paid to service providers as detailed above) of the Company will be borne by the Company including travel, accommodation, printing, insurance costs, audit, finance costs, legal fees (including those incurred on behalf of the Company by the AIFM or the Investment Adviser), corporate broking fees, annual London Stock Exchange fees and AIC membership fees. All reasonable out of pocket expenses of the AIFM, the Investment Adviser, the Company Secretary, the Registrar, the Company's other service providers and the Directors relating to the Company will be borne

by the Company. Estimated annual Company level costs are expected to comprise approximately £2 million (including VAT).

### ***Change of Control Fee***

Should the Company be the subject of an offer under the Takeover Code and subject to the restrictions of the Takeover Code, the Board may, either directly or indirectly, solicit alternative offers, proposals, inquiries or indications of interest or make other efforts or attempts that could potentially lead to a competing offer for the Company on superior terms.

In the event that a Third Party Offer becomes unconditional and, following such offer becoming unconditional, notice to terminate the Investment Advisory Agreement is given by the Company, the Investment Adviser may be entitled to a Change of Control Fee, in addition to its entitlement to the Monthly Management Fees and the Semi-Annual Management Fees set out above. Further details of the Change of Control Fee are set out in paragraph 8.3 of Part 8 (Additional Information) of this Prospectus.

The Company has prepared a key information document required under the UK PRIIPs Laws in relation to the Ordinary Shares. Such laws require costs to be calculated and presented in accordance with detailed and prescriptive rules. The key information document in relation to the Ordinary Shares is available on the Company's website ([www.atratoroof.com](http://www.atratoroof.com)).

## **7 CONFLICTS OF INTEREST**

The AIFM, the Investment Adviser and their officers and employees may from time to time act for other clients or manage or advise other funds, which may have similar investment objectives and policies to that of the Company. Circumstances could arise where investment opportunities will be available to the Company that are also suitable for one or more of such clients of the AIFM or the Investment Adviser or such other funds. The Directors have satisfied themselves that the AIFM and the Investment Adviser have procedures in place to address potential conflicts of interest.

Pursuant to the Investment Advisory Agreement, the Investment Adviser will therefore:

- not engage in any investment advisory or investment management services in relation to any asset(s) falling within the Company's investment objective and investment policy which have been identified by the Investment Adviser without offering the Company a right of first refusal in respect of such asset(s);
- implement an asset allocation policy reflective of the investment objectives of the funds it advises;
- at all times have due regard to its duties owed to its clients and where a conflict arises seek to ensure that any conflict is resolved fairly;
- implement appropriate information barriers between funds to ensure information that is confidential to a fund is kept confidential to that fund;
- ensure any investment submissions to the Investment Committee involving a commercial relationship between clients of the Investment Adviser are prepared and submitted by separate teams to different Investment Committee meetings; and
- disclose all conflicts to the Board along with details of all related investment decisions including any decisions by the Investment Adviser to allocate investment opportunities that appear to fall within the Company's investment objective and investment policy to any other client.

The Directors will in addition seek to ensure that any conflict of interest is resolved fairly and in the interests of the Company.

The AIFM, the Investment Adviser and any of their directors, officers, employees, agents and Affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an **Interested Party**) may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services. For example, an Interested Party may acquire on behalf of a client an investment in which the Company may invest.

Except as highlighted above there are no actual or potential conflicts of interest between any duties owed to the Company, the Directors or the Investment Adviser or any of the Directors and their private interests or duties.

## **8 CORPORATE GOVERNANCE**

The Board of the Company has considered the principles and provisions of the AIC Code. The AIC Code addresses the principles and provisions set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company as an investment company.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to Shareholders. As a recently incorporated company, the Company does not yet comply with the UK Corporate Governance Code or the principles of good governance contained in the AIC Code. However, the Company intends to join the AIC as soon as practicable following Initial Admission, and arrangements have been put in place so that, with effect from Initial Admission, the Company will comply with the AIC Code, except as set out below.

The UK Corporate Governance Code includes provisions relating to: the role of the chief executive; executive directors' remuneration; and the need for an internal audit function. The Board considers these provisions are not relevant to the position of the Company, being an externally managed investment company, and the Company does not, therefore, intend to comply with them.

The Company's Audit Committee will be chaired by Marlene Wood, consists of all the Directors and will meet at least twice a year. The Board considers that the members of the Audit Committee have the requisite skills and experience to fulfil the responsibilities of the Audit Committee. The Audit Committee will examine the effectiveness of the Company's risk management and internal control systems. It will review the half-yearly and annual reports and also receive information from the AIFM and the Investment Adviser. It will also review the scope, results, cost effectiveness, independence and objectivity of the external auditor.

In accordance with the AIC Code, the Company has established a Management Engagement Committee which will be chaired by Faye Goss and consist of all the Directors. The Management Engagement Committee will meet at least once a year or more often if required. Its principal duties will be to consider the terms of appointment of the AIFM, the Investment Adviser, the Company Secretary and the Registrar and it will annually review these appointments and the terms of the AIFM Agreement, the Investment Advisory Agreement, the Company Secretarial Services Agreement, and the Registrar Agreement.

The Board will fulfil the responsibilities typically undertaken by a nomination committee and a remuneration committee.

The Company has not appointed a senior independent director. Accordingly the Audit Committee Chair, in combination with the other Directors, fulfils the duties of the senior independent director, acting as a sounding board for the Chair and acting as an intermediary for other Directors as applicable.



## **9 DIRECTORS' SHARE DEALINGS**

The Board has adopted and implemented a dealing code for Directors and other PDMRs (which includes key personnel of the Investment Adviser), together with their PCAs, which imposes restrictions on conducting transactions in the Company's securities beyond those imposed by law. Its purpose is to ensure that the Directors, other PDMRs and their closely associated persons do not abuse, and do not place themselves under suspicion of abusing, inside information they may be thought to have, in particular during periods leading up to an announcement of the Company's results.

## Part 4

### ESG and Sustainability

#### 1 INTRODUCTION

The Company is aware that its ability to manage the risks and opportunities of material ESG considerations is fundamental to the delivery of long-term sustainable returns for its investors and that its activities and its method of delivery have the potential to impact on a broad range of stakeholders. It does not believe that strong financial performance and sustainable businesses are mutually exclusive.

The Company is focused on investment in onsite sustainable energy solutions that facilitate greenhouse gas savings and, in turn, will contribute to the transition to a low carbon environment. Through this investment strategy the Company will broaden access to onsite sustainable energy solutions, thereby contributing to the transition to a low carbon economy. The Company is committed to reducing the reliance of the UK and Ireland on fossil fuels and facilitating the shift towards sustainable methods of energy generation, in which it believes solar PV will play an important part.

The Company understands that to address its ESG obligations it must focus not only on the nature of its activities, but also the way in which it delivers them. As such the Company takes a rigorous approach to governance and ensures that it operates in accordance with local and national laws and regulations applicable to the jurisdictions in which it operates. It also intends that ESG considerations will be reflected at all stages of the asset lifecycle and throughout its areas of operation.

The Company has specifically considered the UN Sustainable Development Goals (**UN SDGs**) and the recommendations of the Task Force on Climate-related Financial Disclosures (**TCFD**), and is committed to achieving the LSE Green Economy Mark upon Initial Admission. The Company's proposed approach as regards these aspects is set out below, together with an overview of its ESG Principles and approach to management of sustainability risk.

#### 2 ESG PRINCIPLES

The Company's investment objective is to: support the net zero agenda whilst delivering capital growth and progressive dividend income to its shareholders; integrate ESG best practice with a focus on investing in new renewable energy capacity and onsite clean energy solutions; and target long-term secure income with limited exposure to wholesale power prices.

In order to focus the Company's ESG activities and maximise the value delivered in the context of its investment objective, it has identified four ESG principles (the **ESG Principles**) linked to the UN SDGs, that it believes are specifically relevant to its activities.

- (a) **Support the attainment of the UK emissions targets through the creation of new sustainable energy resource.**
  - Affordable and clean energy: Ensure access to affordable, reliable sustainable and modern energy for all (UN SDG 7).
  - Climate action: take urgent action to combat climate change and its impacts (UN SDG 13).
- (b) **Facilitate the efficient and considered use of finite resources.**
  - Life on land: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss (UN SDG 15).

- Responsible production and consumption: ensure sustainable consumption and production patterns (UN SDG 12).
- (c) **Bring value to the communities in which we are active.**
- Gender equality: achieve gender equality and empower all women and girls (UN SDG 5).
  - Decent work and economic growth: promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (UN SDG 8).
- (d) **Deliver the Company's investment objective through a robust governance framework that recognises its moral and ethical responsibilities to all stakeholders.**

In order to demonstrate the Company's progress against the identified ESG Principles, the Company intends to report against a comprehensive framework of tailored metrics. These will be published on the Company's website and reported in its annual report and accounts.

ESG Principle	Reporting metrics
<b>Support the attainment of the UK emissions targets through the creation of new sustainable energy resource</b>	(a) New renewable generation capacity created (b) Avoided greenhouse gas emissions (CO <sub>2e</sub> ) and equivalent homes powered (c) Carbon payback (to the extent the data is reasonably available) (d) Investment Adviser carbon footprint
<b>Facilitate the efficient and considered use of finite resources</b>	(a) Land not used for equivalent ground-mounted solar PV generation capacity
<b>Bring value to the communities in which we are active</b>	(a) Regional breakdown of contractors and suppliers to demonstrate support of local employment (b) Confirmation of application of at least 1 per cent. of the Company's cash profit for the previous financial year and at least 3 per cent. of the Investment Adviser's cash profit for the previous financial year (as they relate to its activities under the Investment Advisory Agreement) to charitable causes via (once established) an independent foundation (the <b>Foundation</b> ) (c) Number of employees at location of each Onsite Solar Asset (where available) (d) Hours committed to education schemes around sustainable energy (e) Percentage of service providers with an equal opportunities policy in place (where available)

ESG Principle	Reporting metrics
<b>Deliver the Company's investment objective through a robust governance framework that recognises its moral and ethical responsibilities to all stakeholders</b>	(a) Reporting against UN PRI framework (once a signatory) (b) Confirmation of award and retention of LSE's Green Economy Mark (c) Confirmation of status as TCFD supporter

### 3 UN SDGS

The Company has developed its ESG Principles with reference to the UN SDGs, having undertaken an assessment of its activities and objectives against each identified goal.

- (a) Support the attainment of the UK emissions targets through the creation of new sustainable energy resource.

#### ***Climate Action (UN SDG 13 Climate Action and UN SDG 7 Affordable Clean Energy)***

The use of onsite zero carbon generation has the potential to displace generation from other non zero carbon sources. Through its investment in Onsite Solar Assets therefore, one of the lowest cost forms of energy generation (Part 1, 1.6,(b) (i)), and the deployment of Other Clean Energy Technologies such as electric vehicle charging infrastructure, the Company will contribute directly to the attainment of the UK's zero carbon targets.

The Company estimates that, following deployment of Net Initial Proceeds of 147 million, generation of electricity from its portfolio of Clean Energy Assets will result in annual greenhouse gas emissions savings of over 50,000 tonnes of CO<sub>2e</sub> per year.

- (b) Facilitate the efficient and considered use of finite resources.

#### ***Sustainability (UN SDG 15 Life on Land and UN SDG 12 Responsible Consumption and Production)***

Due to the Company's focus on onsite energy generation, particularly rooftop solar, its investments do not generally compete with alternative land uses such as green or public spaces, food production or housing.

The Company will commit to the introduction of a best practice approach to asset procurement, maintenance, decommissioning and component recycling with the objective of supporting the shift to a circular economic model.

- (c) Bring value to the communities in which we are active.

#### ***Social responsibility (UN SDG 5 Gender Equality and UN SDG 8 Decent Work and Economic Growth)***

The Company is aware that its activities have the potential to impact the communities in which it is active. The provision of cheaper and cleaner energy for employers has the potential to assist with their long-term viability and therefore assist with the creation and protection of jobs.

The Company also believes that it has a role to play in the growth and acceptance of sustainable energy generation. It is committed to achieving this through the provision of training and education and through the development of a diverse and stable workforce.

To assist the Company in achieving its social responsibility objectives, the Investment Adviser intends, following completion of the Initial Issue, to establish the Foundation on behalf of the Company and the other funds for which it acts as investment adviser (the **Other Funds**). It is intended that the Company and the Other Funds (subject to their independent approval) will, each year, donate at least 1 per cent. of their cash profits for the previous financial year to the Foundation. The Investment Adviser will also each year donate at least 3 per cent. of its cash profits for the previous financial year as they relate to its activities under the Investment Advisory Agreement.

The Foundation's primary focus will be to support the social objectives of the Company, the Investment Adviser and the Other Funds. In the context of the Company this will be the promotion of education, training and personal development particularly with respect to the skills relevant to the clean energy sector and supporting the broad agenda of diversity, equal opportunity and social mobility. Prior to the establishment of the Foundation, the Company will make donations directly to charities whose charitable purpose is aligned with its social objectives.

- (d) To deliver the Company's investment objective through a robust governance framework that recognises its moral and ethical responsibilities to all stakeholders.

### ***Ethical Governance***

The Investment Adviser will introduce negative screening for any investment opportunities. To the extent it identifies evidence within any of the Company's potential counterparties of any of the following, it will not progress with the investment:

- risk of modern slavery, such as forced labour, human trafficking or child labour including those risks as they are associated with the supply chain;
- risk of corruption, money laundering and bribery; and/or
- negative impacts on areas with high biodiversity value.

The Company intends to adopt a formal tax strategy which will form an integral part of its ESG approach and which will be mindful of the OECD's drive to create greater tax transparency and counter the unacceptable avoidance of tax through base erosion and profit shifting. The Company intends to operate within the framework of its tax strategy from time to time which will guide its approach to tax risk management and governance.

The Company is committed to achieving the LSE Green Economy Mark upon Initial Admission and will have regard to the recommendations of the TCFD. In addition, the Investment Adviser intends to become a signatory to the UN Principles for Responsible Investment (**UN PRI**).

The Company has further assessed the targets associated with the UN SDGs that underpin its ESG Principles in order to effectively identify the appropriate metrics by which to track its progress.

UN SDG	UN SDG target	Company's focus
SDG 5 Gender equality	5.1 - End all forms of discrimination against all women and girls everywhere.	<p>The provision of training and education to support the development of a diversified and stable workforce in the sustainable energy sector.</p> <p>In support of this objective, the Investment Adviser intends to establish the Foundation on behalf of the Company.</p>
	5.5 - Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	<p>The Company will reflect an equal opportunities approach to Board appointments.</p> <p>The Investment Adviser seeks to ensure that all appointments are made on the basis of merit and has reflected this position through its adoption of an equal opportunities policy.</p> <p>Wherever practicable the Investment Adviser will also seek to ensure that material service providers to the Company implement an equal opportunities policy.</p>
SDG 7 Affordable clean energy	7.1 - By 2030, ensure universal access to affordable, reliable and modern energy services.	Enable access to affordable onsite sustainable energy solutions thereby accelerating the transition to a low carbon economy.
	7.2 - By 2030, increase substantially the share of renewable energy in the global energy mix.	Add new renewable energy capacity.
SDG 8 Decent work and economic growth	8.1 - Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent. gross domestic product growth per annum in the least developed countries.	The provision of cheaper cleaner energy for employers has the potential to support their long-term viability and therefore assist with the protection and creation of jobs.

UN SDG	UN SDG target	Company's focus
	8.7 - Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.	Robust supply chain governance to minimise the risk of supporting suppliers which do not adhere to high standards of employee welfare.
SDG 12 Responsible consumption and production	12.2 - By 2030, achieve the sustainable management and efficient use of natural resources.	The Company will commit to the introduction of a best practice approach to asset procurement, maintenance, decommissioning and component recycling with the objective of supporting the shift to a circular economic model.
SDG 13 Climate action	13.1 - Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	Through its investment in Onsite Solar Assets, the Company will be directly contributing to the generation of affordable clean energy and through that to the attainment of the UK's zero carbon targets.
SDG 15 Life on land	15.5 - Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.	As a consequence of the Company's focus on onsite generation it will have limited reliance on greenfield sites. The delivery of the Company's investment objective will not generally therefore require the re-categorisation of land use with the consequential biodiversity impact and land use conflicts.

#### 4 OPERATIONAL DELIVERY OF THE ESG PRINCIPLES

While the Board has ownership of the Company's sustainability policy, day-to-day responsibility for the Company's operations has been delegated to the Investment Adviser, which has appointed Steve Windsor as its ESG lead. The basis of the Investment Adviser's appointment is designed to ensure alignment of objectives with the Company.

In order to fulfil its obligations to the Company in relation to the delivery of its ESG Principles, the Investment Adviser will seek to ensure that the Company's ESG policy and its ESG Principles are reflected in all stages of the asset lifecycle through the following initiatives:

- transparency of approach;
- engagement with material stakeholders;
- robust governance framework that includes the consideration of ESG risks and opportunities;

- reflecting ESG in the delivery of its operations through the implementation of its core values in its day-to-day activities, ongoing training on ESG issues and implementation of ESG objectives in the performance plans of key individuals; and
- engaging with and being actively involved in relevant industry initiatives.

## 5 TASK FORCE ON CLIMATE RELATED DISCLOSURES

The Company will have regard to the TCFD recommendations in integrating climate-related risks and opportunities into its governance, strategy, risk management and scenario analysis. In summary, the Company considers that its investments are subject to the following climate-related risks and opportunities:

- *Risks.* Physical risks could have an adverse impact on financial performance, in particular, as there is the possibility of extreme weather conditions disrupting electricity production from solar PV assets and impacting the assets and the properties on which the assets are installed. Transition risks may also arise for the Company and for its Contract Counterparties given the need to support the shift to increasingly energy-efficient systems.
- *Opportunities.* Through promoting the adoption of Onsite Solar Assets, a low-emission energy source, there is a significant opportunity to meet the demand of organisations as they shift their energy usage towards low emission energy sources. The Company's investments in solar PV will offer organisations the potential to reduce their operating costs through the cheaper access to electricity delivered by Onsite Solar Assets whilst contributing to the ESG requirements of their key stakeholders.

## 6 GREENING FINANCE: A ROADMAP TO SUSTAINABLE INVESTING

The Company is aware of the publication of the UK government's policy paper "Greening Finance: A Roadmap to Sustainable Investing" and the reporting and taxonomy proposals it makes. The Company and the Investment Adviser will monitor and review the requirements under this initiative and implement as appropriate for the Company.

## 7 MANAGEMENT OF SUSTAINABILITY RISKS

The Company has delegated the day-to-day oversight and execution of the Company's ESG commitments to the Investment Adviser. During all stages of the asset lifecycle the Investment Adviser has incorporated a mechanism for the consideration of ESG factors.

Details of how the Investment Adviser has integrated the assessment of ESG risks are set out in the section entitled "Investment Approach" contained in Part 2 (*Market Background, Investment Opportunity, Investment Approach and Pipeline*) of this Prospectus.

The Company and the Investment Adviser have sought to incorporate a robust ESG framework. This is set out in the Company's ESG policy and reflected in the adoption of the UN SDG aligned ESG Principles. The Company and the Investment Adviser, as appropriate, will also seek to adopt appropriate external reporting frameworks including the LSE Green Economy Mark and UN PRI.

Notwithstanding these steps, the Company recognises the potential that it may still be exposed to one or additional sustainability risks which may have a material negative impact on the value of one or more of the Company's investments, thereby affecting the Company's returns.

A list of the sustainability risks which the Investment Adviser currently considers to be material to the Company is set out below, with further details of each risk outlined in the section entitled "Risk Factors" in this Prospectus:

- changing weather patterns - the Onsite Solar Assets and certain other Clean Energy Assets of the Company may be exposed to adverse environmental changes and weather patterns



which decrease the amount of electricity produced by the relevant Clean Energy Asset, particularly if extreme weather conditions arising from climate change lead to prolonged or widespread disruption of electricity produced by (and therefore revenue generation of) Onsite Solar Assets;

- the Company's investments may be exposed to issues concerning labour relations, including workforce strikes;
- the physical location, maintenance and operation of the investments may pose health and safety risks to those involved during installation, maintenance, replacement or decommissioning;
- the Company will need to consider whether it is liable under environmental and health and safety legislation for any accidents that may occur, to the extent such loss is not covered under any of the Group's existing insurance policies or, where applicable, the contractual provisions in place with the relevant subcontractors do not adequately cover the Company's (or the relevant SPV's) liability;
- liability for health and safety incidents could have an adverse effect on the business, financial position, results of operations and business prospects of the Company;
- the Company cannot guarantee that its investments will not be considered a source of nuisance, pollution or other environmental harm. The Company may be liable in respect of any environmental damage (including contamination of hazardous substances) which may occur on any site upon which Clean Energy Assets are installed or any neighbouring sites;
- it is anticipated that a significant proportion or potentially all of the Company's investments will be located on commercial and industrial properties. There may be a significant risk of project participants at such sites incurring environmental liability, increased cost of compliance and/or requiring a higher degree of due diligence in the permitting steps;
- the due diligence process that the Investment Adviser intends to undertake in evaluating future acquisitions of Clean Energy Assets may not reveal all facts that may be relevant in connection with such investments;
- the due diligence undertaken in respect of the procurement process may not identify some or all cases of modern slavery associated with the production of component parts for the Clean Energy Assets; and
- the Company may be subject to certain pandemic-related risks, such as coronavirus (COVID-19) restrictions impacting on the delivery of installation projects.

The Company's ESG policy can be downloaded from the Company's website at [www.atratoroof.com](http://www.atratoroof.com).

## **Part 5**

### **The Initial Issue**

#### **1 INTRODUCTION**

The Company is targeting an issue of up to 150 million Ordinary Shares pursuant to the Initial Placing, Offer for Subscription and the Intermediaries Offer (together referred to as the **Initial Issue**) at the Initial Issue Price of 100 pence per Ordinary Share. The Investment Adviser, via its Affiliates and their respective employees and directors, intends to subscribe for approximately two million Ordinary Shares pursuant to the Initial Issue.

The actual number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Gross Initial Proceeds, are not known as at the date of this Prospectus but will be notified by the Company via a Regulatory Information Service announcement prior to Initial Admission. The Initial Issue is not being underwritten. The maximum Initial Issue size should not be taken as an indication of the number of Ordinary Shares to be issued.

The aggregate proceeds of the Initial Issue, after deduction of expenses, are expected to be £147 million on the assumption that the Gross Initial Proceeds are £150 million. Estimated annual Company level costs are expected to comprise approximately £2 million (including VAT).

The results of the Initial Issue are expected to be announced on 19 November 2021.

#### **2 REASONS FOR THE INITIAL ISSUE AND USE OF NET INITIAL PROCEEDS**

The Initial Issue is being made in order to provide investors with the opportunity to invest in behind-the-meter solar photovoltaic generation systems and associated infrastructure (as described in the Company's investment objective and policy set out in Part 1 of this Prospectus).

The Company will use the Net Initial Proceeds to acquire investments in accordance with the Company's investment objective and policy. As set out in paragraph 4 of Part 2 of this Prospectus, a significant proportion of the Pipeline Assets are Pre-Installation Assets. Such investments may also be Operational Assets and Installation Assets as well as Pre-Installation Assets.

#### **3 THE INITIAL PLACING**

Alvarium Securities has agreed to use its reasonable endeavours to procure subscribers pursuant to the Initial Placing for the Ordinary Shares on the terms and subject to the conditions set out in the Placing Agreement. Details of the Placing Agreement are set out in paragraph 8.1 of Part 8 (*Additional Information*) of this Prospectus.

The terms and conditions which shall apply to any subscription for Ordinary Shares procured by Alvarium Securities are set out in Part 10 (*Terms and Conditions of the Initial Placing and Subsequent Placings*) of this Prospectus. The Initial Placing will close at 2.00 p.m. on 18 November 2021 (or such later date, not being later than 31 January 2022, as the Company, Alvarium Securities and the Sponsor may agree). If the Initial Placing is extended, the revised timetable will be notified through an RIS.

Each Placee agrees to be bound by the Articles once the Ordinary Shares, which the Placee has agreed to subscribe for pursuant to the Initial Placing, have been acquired by the Placee. The contract to subscribe for the Ordinary Shares under the Initial Placing and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Company, the AIFM, the Investment Adviser, Alvarium Securities, the Sponsor and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.

Commitments under the Placing, once made, may not be withdrawn without the consent of the Directors.

#### 4 THE OFFER FOR SUBSCRIPTION

The Directors are also proposing to offer Shares under the Offer for Subscription. The Offer for Subscription is being made in the United Kingdom, the Isle of Man, Guernsey and Jersey only. The public generally (unless they are located or resident outside the United Kingdom, the Isle of Man, Guernsey and Jersey) may apply for Shares through the Offer for Subscription.

Applications under the Offer for Subscription must be for a minimum of £1,000 and thereafter in multiples of £100 (although the Board may accept applications below the minimum amounts stated above in their absolute discretion). The aggregate subscription price is payable in full on application. Multiple subscriptions under the Offer for Subscription by individual investors will not be accepted.

The Ordinary Shares will be a qualifying investment for the stocks and shares component of an ISA, provided they are acquired by an ISA plan manager through an offer to the public (such as the Offer for Subscription) or in the market, but not through the Initial Placing. Any person wishing to apply for Ordinary Shares under the Offer for Subscription through an ISA should contact their ISA manager as soon as possible.

The terms and conditions of application under the Offer for Subscription are set out in Part 11 (*Terms and Conditions of the Offer for Subscription*) of this Prospectus. The procedure for applying for Ordinary Shares under the Offer for Subscription and an application form for use under the Offer for Subscription can be found in the Appendix to this Prospectus.

Payment must be made by cheque or banker's draft or by electronic interbank transfer (CHAPS) or via CREST on a Delivery versus Payment (**DvP**) method only. Payment by cheque or banker's draft must be in pounds Sterling drawn on a branch in the United Kingdom of a bank or building society which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or bankers' drafts to be cleared through the facilities provided for members of either of those companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right-hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have sole or joint title to the funds (the account name should be the same as that shown on the Application Form), must be made payable to "**Link Market Services Ltd RE: Atrato Onsite Energy plc – OFS CHQ A/C**" and crossed "A/C Payee". Third-party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the cheque/banker's draft to such effect.

Cheques or bankers' drafts will be presented for payment upon receipt. No interest will be paid on payments made before they are due. It is a term of the Offer for Subscription that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and bankers' drafts sent through the post will be sent at the risk of the sender.

If cheques or bankers' drafts are presented for payment before the conditions of the Initial Issue are fulfilled, the application monies will be kept in a separate non-interest bearing bank account. If the Offer for Subscription does not become unconditional, no Ordinary Shares will be issued pursuant to the Initial Issue and all monies will be returned (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Offer for Subscription.

Payment by electronic interbank transfer (CHAPS) must be made for value by 1.00 p.m. on 17 November 2021. Applicants should send payment to the relevant bank account as detailed on the Application Form. Applicants must ensure that they remit sufficient funds to cover any charges incurred by their bank. The payment instruction relating to the electronic transfer must also include a unique reference comprising your name and a contact telephone number which should be

entered in the reference field on the payment instruction, for example: MJ Smith 01234 567890. The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference nor where a payment has been received but without an accompanying Application Form. The account name for any electronic payment should be in the name that is given on your Application Form and payments must relate solely to your application. It is recommended that such transfers are actioned within 24 hours of posting your application, so as to be received by the Receiving Agent by no later than 1.00 p.m. on 17 November 2021.

Applicants choosing to settle via CREST must do so on a DvP basis only and will need to input their instructions in CREST in favour of the Receiving Agent's Participant Account RA06 by no later than 2.00 p.m. on 22 November 2021, allowing for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per Ordinary Share in Sterling through the CREST system upon the settlement date, following the CREST matching criteria set out in the Application Form.

For CREST applicants, the Application Form must be in the name of the registered named CREST holder and signed by the CREST holder, rather than any underlying beneficial investor.

Completed Application Forms accompanied by a cheque or banker's draft for the full amount due or indicating that a CHAPS payment for the full amount has been made or payment will be made through CREST on a DvP basis must be posted to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by the Receiving Agent by no later than 1.00 p.m. on 17 November 2021 at which time and date the Offer for Subscription will close. The Directors may, with the prior approval of the Investment Adviser, Alvarium Securities and the Sponsor, alter such date by shortening or lengthening the offer period under the Offer for Subscription. The Company will notify investors of any such change through the publication of a notice through an RIS.

It is a condition of any application under the Offer for Subscription that a completed version of the relevant Tax Residency Self-Certification Form is provided with the Application Form before any Application under the Offer for Subscription can be accepted, with the exception of any investors that are paying for their subscription through CREST on a DvP basis, as no Tax Residency Self-Certification Form will be required for DvP CREST investors to accompany the duly completed Application Form.

Commitments under the Offer for Subscription, once made, may not be withdrawn without the consent of the Directors.

## **5 THE INTERMEDIARIES OFFER**

Investors may also subscribe for Ordinary Shares at the Initial Issue Price of 100 pence per Ordinary Share pursuant to the Intermediaries Offer. Only the Intermediaries' retail investor clients in the United Kingdom are eligible to participate in the Intermediaries Offer. Investors may apply to any one of the Intermediaries to be accepted as their client.

No Ordinary Shares allocated under the Intermediaries Offer will be registered in the name of any person whose registered address is outside the United Kingdom. A minimum application of 500 Ordinary Shares per Underlying Applicant will apply and thereafter an Underlying Applicant may apply for any higher amount. Allocations to Intermediaries will be determined solely by the Company (following consultation with Alvarium Securities).

An application for Ordinary Shares in the Intermediaries Offer means that the Underlying Applicant agrees to acquire the Ordinary Shares applied for at the Initial Issue Price. Each Underlying Applicant must comply with the appropriate money laundering checks required by the relevant Intermediary and all other laws and regulations applicable to their agreement to subscribe for Ordinary Shares. Where an application is not accepted or there are insufficient Ordinary Shares available to satisfy an application in full, the relevant Intermediary will be obliged to refund the Underlying Applicant as required and all such refunds shall be made without interest. The Company, the Investment Adviser, the AIFM, Alvarium Securities and the Sponsor accept no

responsibility with respect to the obligation of the Intermediaries to refund monies in such circumstances.

Each Intermediary has agreed, or will on appointment agree, to the Intermediaries Terms and Conditions, which regulate, *inter alia*, the conduct of the Intermediaries Offer on market standard terms and provide for the payment of a commission and/or fee (to the extent permissible by the rules of the FCA) to Intermediaries from the Intermediaries Offer Adviser acting on behalf of the Company if such Intermediary elects to receive a commission and/or fee. Pursuant to the Intermediaries Terms and Conditions, in making an application, each Intermediary will also be required to represent and warrant that they are not located in the United States and are not acting on behalf of anyone located in the United States.

In addition, the Intermediaries may prepare certain materials for distribution or may otherwise provide information or advice to retail investors in the United Kingdom, subject to the terms of the Intermediaries Terms and Conditions. Any such materials, information or advice are solely the responsibility of the relevant Intermediary and will not be reviewed or approved by any of the Company, the AIFM, the Investment Adviser, the Sponsor or the Intermediaries Offer Adviser. Any liability relating to such documents shall be for the relevant Intermediaries only.

The Intermediaries Terms and Conditions provide for the Intermediaries to have an option (where the payment of such commission and/or fee is not prohibited) to be paid a commission and/or fee by the Intermediaries Offer Adviser (acting on behalf of the Company) where it has elected to receive such commission and/or fee in respect of the Ordinary Shares allocated to and paid for by them pursuant to the Intermediaries Offer.

## **6 CONDITIONS**

The Initial Issue is conditional, *inter alia*, on:

- (a) the Placing Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms prior to Initial Admission;
- (b) Initial Admission occurring by 8.00 a.m. on 23 November 2021 (or such later date, not being later than 31 January 2022, as the Company, Alvarium Securities and the Sponsor may agree); and
- (c) the Minimum Net Proceeds being raised (or such lesser amount as the Company and Alvarium Securities may determine and notify to investors via an RIS announcement and a supplementary prospectus including a working capital statement based on a revised minimum net proceeds figure).

If the conditions to the Initial Issue are not satisfied, the Initial Issue will not proceed and applications made in respect of the Initial Issue will be rejected. In such circumstances, application monies received will be returned to applicants without interest at the applicants' risk, as soon as practicable thereafter.

## **7 SCALING BACK AND ALLOCATION**

In the event that commitments or applications are received for more than the number of Ordinary Shares available for issue pursuant to the Initial Issue, Alvarium Securities (in consultation with the Company and the Sponsor) will scale back such commitments and applications in such manner as it, in their absolute discretion, consider appropriate.

There will be no priority given to applications under the Initial Placing, applications under the Offer for Subscription or applications under the Intermediaries Offer pursuant to the Initial Issue.

To the extent that any commitment or application is scaled back, subscription monies received in respect of unsuccessful applications (or to the extent scaled back) will be returned, by cheque, without interest at the risk of the applicant to the address as shown on the application.

## **8 THE PLACING AGREEMENT**

The Placing Agreement contains provisions entitling Alvarium Securities to terminate the Initial Issue (and the arrangements associated with it) at any time prior to Initial Admission in certain circumstances. If this right is exercised, the Initial Issue and these arrangements will lapse and any monies received in respect of the Initial Issue will be returned to each applicant without interest within 14 days at the applicant's risk.

The Placing Agreement provides for Alvarium Securities to be paid commission by the Company in respect of the Ordinary Shares to be allotted pursuant to the Initial Issue.

Under the Placing Agreement, Alvarium Securities is entitled at its discretion and out of its own resources at any time to rebate to some or all investors, or to other parties, part or all of its fees relating to the Initial Issue. Alvarium Securities is also entitled under the Placing Agreement to retain agents and may pay commission in respect of the Initial Issue to any or all of those agents out of its own resources.

Further details of the terms of the Placing Agreement are set out in paragraph 8.1 of Part 8 (*Addition Information*) of this Prospectus.

## **9 WITHDRAWAL RIGHTS**

In the event that the Company is required to publish a supplementary prospectus prior to Initial Admission, applicants who have applied for Ordinary Shares under the Offer for Subscription or Intermediaries Offer shall have at least two clear Business Days following the publication of the relevant supplementary prospectus within which to withdraw their offer to acquire Ordinary Shares in the Offer for Subscription or Intermediaries Offer in its entirety. If the application is not withdrawn within the stipulated period, any offer to apply for Ordinary Shares in the Offer for Subscription or Intermediaries Offer will remain valid and binding.

In the event of a supplementary prospectus being issued, full details on how an investor can withdraw an application for Ordinary Shares will be detailed within the supplementary prospectus.

Subject to their statutory right of withdrawal pursuant to section 87(Q)(4) of FSMA in the event of the publication of a supplementary prospectus, applicants under the Offer for Subscription and Intermediaries Offer may not withdraw their applications for Ordinary Shares.

## **10 ANTI-MONEY LAUNDERING**

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company and its agents (and their agents) may require evidence of the identity of each investor in connection with any application for Ordinary Shares, including further identification of any applicant, before any Ordinary Shares may be issued to that applicant.

## **11 ADMISSION, CLEARING AND SETTLEMENT**

Applications will be made to the FCA and the London Stock Exchange for all the Ordinary Shares to be issued pursuant to the Initial Issue to be admitted to the premium listing segment of the Official List and to trading on the premium segment of the London Stock Exchange's main market. It is expected that Initial Admission will become effective, and that dealings in such Ordinary Shares will commence, at 8.00 a.m. on 23 November 2021.

Payment for the Ordinary Shares, in the case of the Initial Placing, should be made in accordance with settlement instructions to be provided to placees by Alvarium Securities. Payment for the Ordinary Shares, in the case of the Offer for Subscription, should be made in accordance with the Terms and Conditions of the Offer for Subscription set out in Part 11 of this Prospectus and in the Application Form. Payment for the Ordinary Shares, in the case of the Intermediaries Offer, should be made in accordance with the Intermediaries Terms and Conditions. To the extent that any application for Ordinary Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the risk of the applicant.

Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST from the date of Initial Admission. CREST is a paperless book-entry settlement system operated by Euroclear which enables securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.

It is anticipated that, where investors have requested them, certificates in respect of the Ordinary Shares to be held in certificated form will be despatched within 10 Business Days of Initial Admission. Temporary documents of title will not be issued pending the despatch of definitive certificates for Ordinary Shares issued in certificated form and pending despatch of definitive certificates for Ordinary Shares transfers will be certified against the register.

Ordinary Shares initially issued in certificated form may subsequently be deposited into CREST in accordance with normal CREST procedures following Initial Admission. Dealings in the Ordinary Shares in advance of the crediting of the relevant CREST accounts or the issue of certificates will be at the risk of the persons concerned.

Ordinary Shares issued in uncertificated form will be transferred to successful applicants through the CREST system and CREST accounts will be credited with the Ordinary Shares issued in uncertificated form pursuant to the Initial Issue on 23 November 2021 (or as soon as practicable thereafter). Accordingly, settlement of transactions in the Ordinary Shares following Initial Admission may take place within the CREST system if any Shareholder so wishes. The names of subscribers or their nominees investing through their CREST accounts will be entered directly on to the share register of the Company.

The transfer of Ordinary Shares out of the CREST system following Initial Admission should be arranged directly through CREST. However, an investor's beneficial holding held through the CREST system may be exchanged, in whole or in part, only upon the specific request of the registered holder to CREST for share certificates or an uncertificated holding in definitive registered form. If a Shareholder or transferee requests Ordinary Shares to be issued in certificated form and is holding such Ordinary Shares outside CREST, a share certificate will be despatched either to him or his nominated agent (at his risk) within 21 days of completion of the registration process or transfer, as the case may be, of the Ordinary Shares. Shareholders holding definitive certificates may elect at a later date to hold such Ordinary Shares through CREST or in uncertificated form provided they surrender their definitive certificate.

The ISIN number of the Ordinary Shares is GB00BN497V39 and the SEDOL code is BN497V3.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the dealing price of the Ordinary Shares may not necessarily reflect changes in the Net Asset Value per Ordinary Share.

## **12 COSTS OF THE INITIAL ISSUE**

The formation and initial expenses of the Company are those that arise from, or are incidental to, the establishment of the Company, the Initial Issue and Initial Admission. The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue are expected to be approximately £3 million, equivalent to approximately 2 per cent. of the Gross Initial Proceeds, assuming Gross Initial Proceeds of £150 million. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue. It is expected that the starting Net Asset Value per Ordinary Share will be approximately 98 pence, assuming Gross Initial Proceeds of £150 million.

All expenses incurred by any Intermediary are for its own account. Investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer.

### **13 MATERIAL INTERESTS**

There are no interests that are material to the Initial Issue and no conflicting interests.

### **14 DILUTION**

The Initial Issue will not result in dilution.

### **15 OVERSEAS INVESTORS**

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the AIFM or Alvarium Securities.

The attention of persons resident outside the UK is drawn to the notices to investors set out on pages 152 to 154 of this Prospectus which set out restrictions on the holding of Ordinary Shares by such persons in certain jurisdictions.

In particular investors should note that the Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Ordinary Shares may not be offered, sold, resold, delivered, pledged or otherwise transferred, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons except in a transaction exempt from or not subject to, the registration requirements under the US Securities Act and the securities laws of any state or other jurisdiction of the United States. There will be no public offer of the Ordinary Shares in the United States. The Ordinary Shares are being offered and sold solely (i) outside the United States to persons who are not US Persons in "offshore transactions" as defined in and pursuant to Regulation S under the US Securities Act; and (ii) within the United States to a limited number of investors that are reasonably believed to be "qualified institutional buyers" (as the term is defined in Rule 144A under the US Securities Act) that are also "qualified purchasers" within the meaning of Section 2(a)(51) of the US Investment Company Act pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

Moreover, the Company has not been and will not be registered under the US Investment Company Act and investors will not be entitled to the benefits of the US Investment Company Act. The Ordinary Shares and any beneficial interests therein may only be transferred in an "offshore transaction" as defined in and in accordance with Regulation S under the US Securities Act (i) to a person outside the United States and not known by the transferor to be a US Person, by pre-arrangement or otherwise; or (ii) to the Company or a subsidiary thereof.

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

### **16 SUBSCRIBER REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

Each subscriber of Ordinary Shares in the Initial Issue and each subsequent investor in the Ordinary Shares will, unless otherwise expressly agreed with the Company and Alvarium Securities, be deemed to have represented, warranted, undertaken, agreed and acknowledged as follows as of the date it subscribes or otherwise acquires such Ordinary Shares or any beneficial interest therein:

- (a) either (x), it is not a US Person, is not located within the United States, is acquiring the Ordinary Shares in an "offshore transaction" as defined in and meeting the requirements of Regulation S and is not acquiring the Ordinary Shares for the account or benefit of a US Person or (y) it is both a "qualified institutional buyer" (as the term is defined in Rule 144A under the US Securities Act) that is also a "qualified purchaser" within the meaning of Section 2(a)(51) of the US Investment Company Act and it has signed a US investor letter in a form satisfactory to the Company;



- (b) it acknowledges that the Ordinary Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold in the United States or to, or for the account or benefit of, US Persons absent registration or an exemption from registration under the US Securities Act;
- (c) it acknowledges that the Company has not registered under the US Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the US Investment Company Act;
- (d) unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an "employee benefit plan" as defined in section 3(3) of ERISA that is subject to Part 4 of subtitle B of fiduciary responsibility or prohibited transaction Title I of ERISA; (ii) a "plan" as defined in section 4975 of the Internal Revenue Code, including an individual retirement account, that is subject to section 4975 of the Internal Revenue Code; or (iii) an entity whose underlying assets include the assets of any such "employee benefit plan" or "plans" by reason of ERISA or the US Department of Labor Regulations, 29 C.F.R. 2510.3-101, as and to the extent modified by section 3(42) of ERISA (the **Plan Assets Regulation**), or otherwise (including certain insurance company general accounts) for the purposes of section 4.6 of ERISA or section 4975 of the Internal Revenue Code. In addition, if an investor is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or section 4975 of the Internal Revenue Code, its purchase, holding, and disposition of the Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;
- (e) if in the future the investor decides to offer, sell, transfer, assign or otherwise dispose of the Ordinary Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act;
- (f) it is purchasing the Ordinary Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Ordinary Shares in any manner that would violate the US Securities Act, the US Investment Company Act or any other applicable securities laws;
- (g) it acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person's status under the US federal securities laws and to require any such person that has not satisfied the Company that the holding of Ordinary Shares by such person will not violate or require registration under the US securities laws to transfer such Ordinary Shares or interests in accordance with the Articles;
- (h) it acknowledges and understands that the Company is required to comply with FATCA and the CRS and that the Company will follow FATCA's and CRS's extensive reporting and FATCA's withholding requirements from their effective date. The investor agrees to furnish any information and documents the Company may from time to time request, including but not limited to, information required under FATCA or the CRS;
- (i) it is entitled to acquire the Ordinary Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Ordinary Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the Investment Adviser, the AIFM, Alvarium Securities, the Sponsor or their respective directors, officers, agents, employees

and advisers being in breach of the laws of any jurisdiction in connection with its acceptance of participation in the Initial Issue;

- (j) it has received, carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the Ordinary Shares to or within the United States or to any US Persons, nor will it do any of the foregoing; and
- (k) if it is acquiring any Ordinary Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

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

## Part 6

### The Placing Programme

#### 1 INTRODUCTION

The Company has authority to issue up to 350 million Ordinary Shares and/or C Shares (less the number of Ordinary Shares issued pursuant to the Initial Issue) on a non-pre-emptive basis pursuant to one or more Subsequent Placings under the Placing Programme.

The Placing Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares and/or C Shares in the period from Initial Admission to the Final Closing Date.

The Placing Programme is intended to satisfy market demand for Ordinary Shares and/or C Shares and to raise further money after the Initial Issue to increase the size of the Company and to provide cash which the Company can invest in accordance with its investment policy.

#### 2 THE PLACING PROGRAMME

The Placing Programme will open on 24 November 2021 and will close on 31 October 2022 (or any earlier date on which it is fully subscribed, or as otherwise determined by the Directors). The terms and conditions that apply to the purchase of Ordinary Shares and/or C Shares under each Subsequent Placing are set out in Part 10 (*Terms and Conditions of the Initial Placing and each Subsequent Placing*) of this Prospectus.

The size and frequency of each Subsequent Placing under the Placing Programme will be determined at the sole discretion of the Directors, in consultation with the Investment Adviser, Alvarium Securities and the Sponsor.

The Company will make a decision on each Subsequent Placing under the Placing Programme as to whether the Company will issue Ordinary Shares or C Shares. It will make this decision based on a combination of factors, and having taken into account the opinions of the Investment Adviser and Alvarium Securities, including, amongst other things, the potential size of any issue relative to the Company's existing market capitalisation and gross assets, the potential level of demand for new shares amongst Shareholders and potential investors, and the speed with which the Investment Adviser estimates that it could invest any new proceeds raised.

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

The issue of C Shares is designed to overcome the potential disadvantages for both existing and new investors at the relevant time that could arise out of a conventional fixed price issue of further Ordinary Shares for cash. In particular:

- the C Shares would not convert into Ordinary Shares until such time as at least 80 per cent. of the net proceeds attributable to the C Shares have been invested (or if earlier the month end on the date 12 months after the date of the Subsequent Admission of the relevant C Shares);
- the assets representing the net proceeds of a C Share issue would be accounted for and managed as a distinct pool of assets until their conversion date. By accounting for the net proceeds of a C Share issue separately, Ordinary Shareholders would not participate in a portfolio containing a substantial amount of uninvested cash before the conversion date;
- the basis on which the C Shares would convert into Ordinary Shares is such that the number of Ordinary Shares to which holders of C Shares would become entitled will reflect

the relative net asset values per share of the assets attributable to the C Shares and the Ordinary Shares. As a result, the Net Asset Value per Ordinary Share can be expected to be unchanged by the issue and conversion of any C Shares; and

- the Net Asset Value of the Ordinary Shares would not be diluted by the expenses of the C Share issue, which would be borne by the pool of assets attributable to the C Shares.

The rights attaching to the C Shares are set out in the Articles, summarised in paragraph 6 of Part 8 (*Additional Information*) of this document.

The issue of Ordinary Shares and/or C Shares under the Placing Programme is at the discretion of the Directors. Subsequent Placings may take place at any time prior to the Final Closing Date.

An announcement will be released through an RIS providing details of each Subsequent Placing, including the number and class of the New Shares to be issued and the applicable Placing Programme Price prior to the allotment of the relevant New Shares under the Placing Programme.

Neither the Placing Programme nor any Subsequent Placing is being underwritten and, as at the date of this Prospectus, the actual number of Ordinary Shares and/or C Shares to be issued under the Placing Programme is not known. The maximum number of Ordinary Shares and/or C Shares available under the Placing Programme should not be taken as an indication of the final number of Ordinary Shares and/or C Shares to be issued. Where new Ordinary Shares are issued pursuant to a Subsequent Placing, the total assets of the Company will increase by that number of Ordinary Shares multiplied by the applicable Placing Programme Price less the expenses of such Subsequent Placing. Where C Shares are issued pursuant to a Subsequent Placing, the total assets of the Company will increase by that number of C Shares issued multiplied by £1.00, less the expenses of such Subsequent Placing. The net proceeds of any Subsequent Placing under the Placing Programme are dependent, amongst other things, on, the level of subscriptions received, the price at which such Ordinary Shares are issued and the costs of the Subsequent Placing. Ordinary Shares issued pursuant to each Subsequent Placing will rank *pari passu* with the Ordinary Shares then in issue (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment and issue of the relevant Ordinary Shares).

There is no minimum size of Subsequent Placings under the Placing Programme.

The Placing Programme will be suspended at any time when the Company is unable to issue Shares pursuant to the Placing Programme under any statutory provision or other regulation applicable to the Company or otherwise at the Directors' discretion. The Placing Programme may resume when such circumstances cease to exist, subject to the Final Closing Date.

### **3 CONDITIONS**

Each Subsequent Placing under the Placing Programme is conditional, *inter alia*, on:

- (a) the Placing Agreement becoming otherwise unconditional in respect of that Subsequent Placing, and not being terminated in accordance with its terms before the relevant Subsequent Admission becomes effective;
- (b) if a supplementary prospectus is required to be published in accordance with Article 23 of the UK Prospectus Regulation, such supplementary prospectus being approved by the FCA and published by the Company in accordance with the Prospectus Regulation Rules; and
- (c) Subsequent Admission of the New Shares issued pursuant to that Subsequent Placing at such time and on such date as the Company, the Investment Adviser, Alvarium Securities and the Sponsor may agree prior to the closing of that Subsequent Placing, not being later than 31 October 2022.

If these conditions are not satisfied in respect of any Subsequent Placing under the Placing Programme, the issue of the relevant New Shares will not proceed and subscription monies received will be returned without interest at the risk of the applicant.

#### **4 PLACING PROGRAMME PRICE**

All Ordinary Shares issued pursuant to the Placing Programme will be issued at a premium to the Net Asset Value per Ordinary Share at least sufficient to cover the costs and expenses of the relevant Placing. In accordance with Chapter 15 of the Listing Rules, the Company may not issue Ordinary Shares on a non-pre-emptive basis at a price below the prevailing published Net Asset Value per Ordinary Share without prior Shareholder approval.

The Placing Programme Price of any Ordinary Shares to be issued pursuant to a Subsequent Placing will be announced through a Regulatory Information Service as soon as is practicable following the allotment of such Ordinary Shares.

C Shares issued pursuant to the Placing Programme will be offered at a price of 100 pence per C Share.

There are no expenses charged directly to investors by the Company in addition to the applicable Placing Programme Price for the New Shares for which they subscribe under the Placing Programme.

#### **5 USE OF PROCEEDS**

The Directors intend to use the net cash proceeds of any Subsequent Placing under the Placing Programme for investment in accordance with the Company's investment policy and to fund the Company's operational expenses. As set out in paragraph 4 of Part 2 of this Prospectus, a significant proportion of the Pipeline Assets are Pre-Installation Assets. Such investments may also be Operational Assets and Installation Assets as well as Pre-Installation Assets.

#### **6 BENEFITS OF THE PLACING PROGRAMME**

The Directors believe that the issue of Ordinary Shares and/or C Shares pursuant to the Placing Programme should yield the following principal benefits:

- the ability for the Company to raise additional capital promptly, allowing it to take advantage of future investment opportunities as and when they arise, further diversifying the Company's portfolio of investments;
- the ability to issue Ordinary Shares and/or C Shares so as to better manage the premium at which the Ordinary Shares and/or C Shares may trade relative to the Net Asset Value per Share;
- enhancing the Net Asset Value per Ordinary Share of existing Ordinary Shares through new issues of Ordinary Shares at a premium to the prevailing published Net Asset Value per Ordinary Share;
- growing the Company, thereby spreading operating costs over a larger capital base which should reduce the ongoing charges ratio; and
- improving liquidity in the secondary market for the Ordinary Shares.

#### **7 BASIS OF ALLOCATION**

The basis of allocation of Ordinary Shares and/or C Shares shall be determined by the Company (following consultation with the Investment Adviser, Alvarium Securities and the Sponsor). If subscriptions under any Subsequent Placing exceed the maximum number of Ordinary Shares and/or C Shares available under that Subsequent Placing, the Company will scale back

subscriptions at its discretion (following consultation with the Investment Adviser, Alvarium Securities and the Sponsor).

## **8 THE PLACING AGREEMENT**

The Placing Agreement contains provisions entitling Alvarium Securities to terminate the Placing Programme and/or any Subsequent Placing under the Placing Programme at any time prior to the Final Closing Date in certain circumstances. If this right is exercised, the Placing Programme and/or the relevant Subsequent Placing and the associated arrangements will lapse and any monies received in respect of the relevant Subsequent Placing will be returned to each applicant without interest within 14 days at the applicant's risk.

The Placing Agreement provides for Alvarium Securities to be paid commission by the Company in respect of any New Shares to be allotted pursuant to the Placing Programme. Any New Shares subscribed for by Alvarium Securities may be retained or dealt in by it for its own benefit.

Under the Placing Agreement, Alvarium Securities is entitled at its discretion and out of its own resources at any time to rebate to some or all investors, or to other parties, part or all of its fees relating to any Subsequent Placing. Alvarium Securities is also entitled under the Placing Agreement to retain agents and may pay commission in respect of any Subsequent Placing to any or all of those agents out of its own resources.

Further details of the terms of the Placing Agreement are set out in paragraph 8.1 of Part 8 (*Additional Information*) of this Prospectus.

## **9 INTRODUCTORY SERVICES ENGAGEMENT LETTER**

The Company has appointed the Investment Adviser to use reasonable endeavours, as a non-exclusive independent marketer, to introduce to the Company those prospective investors who it has been agreed in writing between the Company and the Investment Adviser that it may approach.

The Investment Adviser will either be paid a fixed fee for arranging meetings or a commission of one per cent. of the aggregate subscription price for shares for which prospective investors introduced by the Investment Adviser subscribe (or such other commission as may be agreed between the Company and the Investment Adviser in writing).

## **10 DILUTION TO PERCENTAGE HOLDING**

Existing Shareholders will not be obliged to participate in the Placing Programme. However, those Shareholders who do not participate in the Placing Programme will suffer a dilution to the percentage of the issued share capital that their current shareholding represents based on the actual number of Issue Shares issued under the Initial Issue and the Placing Programme.

If 200 million Issue Shares were to be issued pursuant to Subsequent Placings (being the maximum number of Shares that the Directors will be authorised to issue under the Placing Programme if 150 million Ordinary Shares are issued on Initial Admission)) and assuming that: (A) 150 million Ordinary Shares had been issued on Initial Admission; (B) no other Ordinary Shares had been issued; and (C) the relevant investor did not participate in any Subsequent Placings, an investor holding 1 per cent. of the Company's issued share capital after the Initial Issue would then hold 0.4 per cent. of the Company's issued share capital following completion of all the Subsequent Placings.

## **11 GENERAL**

In the event that there are any significant changes affecting any of the matters described in this Prospectus or where any significant new matters have arisen after the publication of this Prospectus and prior to the relevant Subsequent Admission, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the significant change(s) or the significant new matter(s).

Applications under each Subsequent Placing under the Placing Programme will be on the terms and conditions set out in Part 10 (*Terms and Conditions of the Initial Placing and each Subsequent Placing*) of this Prospectus, together with any relevant supplementary prospectus applicable to the relevant Subsequent Placing. These terms and conditions should be read carefully before a commitment is made.

The number of New Shares allotted and issued, and the basis of allocation under a Subsequent Placing, is expected to be announced as soon as reasonably practicable following the closing of that Subsequent Placing.

## **12 ANTI-MONEY LAUNDERING**

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK, the Company and its agents (and their agents), may require evidence of the identity of each investor in connection with any application for New Shares, including further identification of any applicant, before any New Shares may be issued to that applicant.

## **13 ADMISSION, CLEARING AND SETTLEMENT**

Applications will be made to the FCA and the London Stock Exchange for all the New Shares to be issued pursuant to the Placing Programme to be admitted to the premium segment of the Official List and to trading on the premium segment of the London Stock Exchange's main market for listed securities. It is expected that such admissions will become effective, and that dealings in the New Shares will commence, during the period from Initial Admission to 31 October 2022. All dealings in New Shares prior to the commencement of unconditional dealings will be at the sole risk of the parties concerned.

Payment for the New Shares should be made in accordance with settlement instructions to be provided to placees by Alvarium Securities. To the extent that any application for New Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the risk of the applicant.

New Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST from the date of the relevant Subsequent Admission. CREST is a paperless book-entry settlement system operated by Euroclear which enables securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.

It is anticipated that, where Shareholders have requested them, certificates in respect of the New Shares to be held in certificated form will be despatched within 10 Business Days following Subsequent Admission of the relevant New Shares. Pending receipt by Shareholders of definitive share certificates, if issued, the Registrar will certify any instruments of transfer against the register of members.

New Shares initially issued in certificated form may subsequently be deposited into CREST in accordance with normal CREST procedures. Dealings in the New Shares in advance of the crediting of the relevant CREST accounts or the issue of certificates will be at the risk of the persons concerned.

In the case of New Shares to be issued in uncertificated form pursuant to a Subsequent Placing, these will be transferred to successful applicants through the CREST system. Accordingly, settlement of transactions in the New Shares following the relevant Subsequent Admission may take place within the CREST system if any Shareholder so wishes. The names of subscribers or their nominees investing through their CREST accounts will be entered directly on to the share register of the Company.

The transfer of New Shares out of the CREST system following a Subsequent Placing should be arranged directly through CREST. However, an investor's beneficial holding held through the CREST system may be exchanged, in whole or in part, only upon the specific request of the

registered holder to CREST for share certificates or an uncertificated holding in definitive registered form. If a Shareholder or transferee requests New Shares to be issued in certificated form and is holding such New Shares outside CREST, a share certificate will be despatched either to him or his nominated agent (at his risk) within 21 days of completion of the registration process or transfer, as the case may be, of the New Shares. Shareholders holding definitive certificates may elect at a later date to hold such New Shares through CREST or in uncertificated form provided they surrender their definitive certificate.

The ISIN number of the Ordinary Shares is GB00BN497V39 and the SEDOL code is BN497V3.

The ISIN number of the C Shares is GB00BNBQZC43 and the SEDOL code is BNBQZC4.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the New Shares, nor does it guarantee the price at which a market will be made in the New Shares. Accordingly, the dealing price of the New Shares may not necessarily reflect changes in the Net Asset Value per the relevant class Issue Share.

## **14 COSTS OF THE PLACING PROGRAMME**

The costs and expenses of the Company relating to the Placing Programme are those that arise from, or are incidental to, the issue of Ordinary Shares and/or C Shares pursuant to Subsequent Placings. It is estimated that the costs and expenses of each Subsequent Placing will be approximately 2 per cent. of gross proceeds of the relevant Subsequent Placing. These include the fees payable in relation to each Subsequent Admission, including listing and admission fees, as well as fees and commissions due under the Placing Agreement and any other applicable expenses in relation to the Placing Programme.

The costs and expenses of issuing Ordinary Shares pursuant to any Subsequent Placing will be covered by issuing such Ordinary Shares at the prevailing published Net Asset Value per Ordinary Share at the time of issue together with a premium to at least cover the costs and expenses of the relevant Subsequent Placing of Ordinary Shares (including, without limitation, any placing commissions). The costs and expenses of any issue of C Shares under the Placing Programme will be paid out of the gross proceeds of such issue and will be borne by holders of C Shares only.

## **15 OVERSEAS INVESTORS**

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, New Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the AIFM or Alvarium Securities.

The attention of persons resident outside the UK is drawn to the notices to investors set out on pages 152 to 154 of this Prospectus which set out restrictions on the holding of New Shares by such persons in certain jurisdictions.

In particular investors should note that neither the Ordinary Shares nor the C Shares have been and nor will they be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the New Shares may not be offered, sold, resold, delivered, pledged or otherwise transferred, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons except in a transaction exempt from or not subject to the registration requirements under the US Securities Act and the securities laws of any state or other jurisdiction of the United States. There will be no public offer of the New Shares in the United States. The New Shares will be offered and sold solely (i) outside the United States to persons who are not US Persons in "offshore transactions" as defined in and pursuant to Regulation S under the US Securities Act; and (ii) within the United States to a limited number of investors that are reasonably believed to be "qualified institutional buyers" (as the term is defined in Rule 144A under the US Securities Act) that are also "qualified purchasers" within the meaning of Section 2(a)(51) of the US Investment Company Act pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.



Moreover, the Company has not been and will not be registered under the US Investment Company Act and investors will not be entitled to the benefits of the US Investment Company Act. The New Shares and any beneficial interests therein may only be transferred in an "offshore transaction" as defined in and in accordance with Regulation S under the US Securities Act (i) to a person outside the United States and not known by the transferor to be a US Person, by pre-arrangement or otherwise; or (ii) to the Company or a subsidiary thereof.

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

## 16 SUBSCRIBER REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

Each subscriber of New Shares in any Subsequent Placing under the Placing Programme and each subsequent investor in such New Shares will, unless otherwise expressly agreed with the Company and Alvarium Securities, be deemed to have represented, warranted, undertaken, agreed and acknowledged as follows as of the date it subscribes or otherwise acquires such New Shares or any beneficial interest therein:

- (a) either (x) it is not a US Person, is not located within the United States, is acquiring the New Shares in an "offshore transaction" as defined in and meeting the requirements of Regulation S and is not acquiring the New Shares for the account or benefit of a US Person or (y) it is both a "qualified institutional buyer" (as the term is defined in Rule 144A under the US Securities Act) that is also a "qualified purchaser" within the meaning of Section 2(a)(51) of the US Investment Company Act and it has signed a US investor letter in a form satisfactory to the Company;
- (b) it acknowledges that the New Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold in the United States or to, or for the account or benefit of, US Persons absent registration or an exemption from registration under the US Securities Act;
- (c) it acknowledges that the Company has not registered under the US Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the US Investment Company Act;
- (d) unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the New Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an "employee benefit plan" as defined in section 3(3) of ERISA that is subject to Part 4 of subtitle B of fiduciary responsibility or prohibited transaction Title I of ERISA; (ii) a "plan" as defined in section 4975 of the Internal Revenue Code, including an individual retirement account, that is subject to section 4975 of the Internal Revenue Code; or (iii) an entity whose underlying assets include the assets of any such "employee benefit plan" or "plans" by reason of ERISA or the US Department of Labor Regulations, 29 C.F.R. 2510.3-101, as and to the extent modified by section 3(42) of ERISA (the **Plan Assets Regulation**), or otherwise (including certain insurance company general accounts) for the purposes of section 4.6 of ERISA or section 4975 of the Internal Revenue Code. In addition, if an investor is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or section 4975 of the Internal Revenue Code, its purchase, holding, and disposition of the New Shares must not constitute or result in a non-exempt violation of any such substantially similar law;
- (e) if in the future the investor decides to offer, sell, transfer, assign or otherwise dispose of the New Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act;

- (f) it is purchasing the New Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the New Shares in any manner that would violate the US Securities Act, the US Investment Company Act or any other applicable securities laws;
- (g) it acknowledges that the Company reserves the right to make inquiries of any holder of the New Shares or interests therein at any time as to such person's status under the US federal securities laws and to require any such person that has not satisfied the Company that the holding of New Shares by such person will not violate or require registration under the US securities laws to transfer such New Shares or interests in accordance with the Articles;
- (h) it acknowledges and understands that the Company is required to comply with FATCA and the CRS and that the Company will follow FATCA's and CRS's extensive reporting and withholding requirements from their effective date. Each subscriber of New Shares agrees to furnish any information and documents the Company may from time to time request, including but not limited to, information required under FATCA or the CRS;
- (i) it is entitled to acquire the New Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the New Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, the Investment Adviser, the AIFM, Alvarium Securities, the Sponsor or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with its acceptance of participation in the relevant Subsequent Placing;
- (j) it has received, carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the New Shares to or within the United States or to any US Persons, nor will it do any of the foregoing; and
- (k) if it is acquiring any New Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

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

## Part 7

### United Kingdom Taxation

The information below, which relates only to United Kingdom taxation, summarises the advice received by the Board and is applicable to the Company and to persons who are resident and domiciled (in the case of individuals) or resident (in the case of companies) for tax purposes in (and only in) the United Kingdom and who hold Shares as an investment rather than trading stock and who are the absolute beneficial owners of those Shares and any dividends paid in respect of them. It is based on current United Kingdom tax law and HMRC published practice, respectively, which law or practice is, in principle, subject to any subsequent changes therein (possibly with retrospective effect). It is not intended to be, nor should it be construed to be, legal or tax advice. Certain Shareholders, such as (but not limited to) dealers in securities, collective investment schemes, insurance companies, trustees, pension schemes and persons acquiring their Shares in connection with their office or employment or a new ISA may be taxed differently and are not considered, nor is the position of any Shareholders who are involved in arrangements to avoid tax or obtain a tax advantage or who have acquired their Shares other than for bona fide commercial purposes. The tax consequences for each Shareholder of investing in the Company may depend upon the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject. Any statements made in respect of tax rates for individual UK Shareholders assume that the Shareholder is a UK resident and domiciled individual who is neither a Scottish taxpayer nor a Welsh taxpayer. Different tax rates may apply to UK resident individuals who are Scottish taxpayers or Welsh taxpayers.

If you are in any doubt about your tax position, or if you may be subject to tax in a jurisdiction other than the United Kingdom, you should consult an independent professional adviser without delay.

#### 1 THE COMPANY

The Company has applied to HMRC for approval as an investment trust company and intends at all times to conduct the affairs of the Company so as to enable it to satisfy the conditions necessary for it to be eligible as an investment trust under Chapter 4 of Part 24 of the Corporation Tax Act 2010 (as amended) and the Investment Trust (Approved Company) (Tax) Regulations 2011 (as amended). However, the Directors cannot provide assurance that this approval will be obtained or that eligibility will be maintained. One of the conditions for a company to qualify as an investment trust is that it is not a "close company" for UK tax purposes. The Directors expect that the Company should not be a close company immediately following Initial Admission.

In respect of each accounting period for which the Company is approved by HMRC as an investment trust, the Company will be exempt from UK taxation on its chargeable gains. The Company will, however, be liable to pay UK corporation tax on its income in the normal way (subject to the elective interest streaming regime described further below). Income arising from overseas investments may be subject to foreign withholding taxes at varying rates, but double taxation relief may be available up to certain limits and subject to certain conditions. The Company should in practice be exempt from UK corporation tax on dividend income received, provided that such dividends (whether from UK or non-UK companies) fall within one of the "exempt classes" in Part 9A of the Corporation Tax Act 2009.

An investment trust approved under sections 1158 to 1159 of the Corporation Tax Act 2010, or one that intends to seek such approval, is able to elect to take advantage of modified UK tax treatment in respect of its "qualifying interest income" for an accounting period (referred to here as the "streaming" regime). Under the Investment Trusts (Dividends) (Optional Treatment as Interest Distributions) Regulations 2009 (SI 2009/2034), the Company may, if it so chooses, designate as an "interest distribution" all or part of the amount it distributes to Shareholders as dividends in respect of the accounting period, to the extent that it has "qualifying interest income" for the accounting period. Were the Company to designate any dividend it pays in this manner, it would be able to deduct such interest distributions from its taxable interest income in calculating its taxable profit for the relevant accounting period.

## **Holdco**

Holdco will be liable to UK corporation tax on its income (currently at a rate of 19 per cent., but expected to rise to 25 per cent. with effect from April 2023 for companies with profits of more than £250,000 and a tapered rate for companies with profits between £50,000 and £250,000), although dividend income may be exempt from tax. Holdco will also be liable to UK corporation tax on chargeable gains (at the above tax rates), however in certain cases these may be exempt under the substantial shareholding exemption subject to meeting the relevant qualifying criteria.

## **2 SHAREHOLDERS**

### ***Taxation of chargeable/capital gains***

A disposal of Shares (including a disposal on a winding up of the Company) by a Shareholder who is resident in the UK for tax purposes, or who is not so resident but carries on a trade in the UK through a branch, agency or permanent establishment in connection with which their investment in the Company is used, held or acquired, may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains, depending on the Shareholder's circumstances and subject to any available exemption or relief.

UK resident and domiciled individual Shareholders have an annual exemption, such that capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The annual exemption is £12,300 for the tax year 2021/2022. For such individual Shareholders, capital gains tax will be chargeable on a disposal of Shares at the applicable rate (the current rate being 10 per cent. for basic rate taxpayers or 20 per cent. for higher or additional rate taxpayers, unless the gains are "carried interest gains").

Individual Shareholders who are temporarily non-resident in the UK may, under anti-avoidance legislation, still be liable to UK tax on any capital gain realised (subject to the application of available exemptions or reliefs).

Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to corporation tax at the rate of corporation tax applicable to that Shareholder (currently at a rate of 19 per cent., but expected to rise to 25 per cent. with effect from April 2023 for companies with profits of more than £250,000 and a tapered rate for companies with profits between £50,000 and £250,000) on chargeable gains arising on a disposal of their Shares, subject to any available exemption or relief. Shareholders within the charge to UK corporation tax do not qualify for the annual exemption or indexation allowance.

### ***Dividends – individuals***

The following statements summarise the expected UK tax treatment for individual Shareholders who receive dividends from the Company that are not designated as interest distributions.

In respect of the tax year 2021/2022, UK resident individuals are entitled to a nil rate of income tax on the first £2,000 of dividend income in a tax year (the **Nil Rate Amount**). Any dividend income received by a UK resident individual Shareholder, including in respect of the Shares, in excess of the Nil Rate Amount (taking account of any other dividends and dividend distributions received by the Shareholder in the same tax year) will be subject to income tax at a rate of 7.5 per cent. to the extent that it is within the basic rate band, 32.5 per cent. to the extent that it is within the higher rate band and 38.1 per cent. to the extent that it is within the additional rate band. The rates of income tax applying to dividend income are expected to rise by 1.25 per cent. with effect from April 2022 such that income tax will be applied at a rate of 8.75 per cent. to the extent that it is within the basic rate band, 33.75 per cent. to the extent that it is within the higher rate band and 39.35 per cent. to the extent that it is within the additional rate band.

Dividend income that is within the Nil Rate Amount counts towards an individual's basic or higher rate limit, and will therefore affect the level of savings allowance to which they are entitled, and the rate of tax that is due on any dividend income in excess of the Nil Rate Amount. In calculating into which tax band any dividend income over the Nil Rate Amount falls, savings and dividend

income are treated as the highest part of an individual's income. Where an individual has both savings and dividend income, the dividend income is treated as the top tranche.

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

### ***Dividends – corporations***

A corporate Shareholder who is tax resident in the UK or carries on a trade in the UK through a permanent establishment in connection with which its Shares are held will be subject to UK corporation tax on the gross amount of any dividends paid by the Company (that are not designated as interest distributions), unless the dividend falls within one of the exempt classes set out in Part 9A of the Corporation Tax Act 2009.

It is anticipated that dividends paid on the Shares to UK tax resident corporate Shareholders would generally (subject to anti-avoidance rules) fall within one of those exempt classes. Such Shareholders, however, are advised to consult their independent professional tax advisers to determine whether such dividends will be subject to UK corporation tax as there is no guarantee that the conditions to fall within one of the exempt classes will be satisfied and it will be necessary for Shareholders to consider their application in respect of every dividend received. If the dividends do not fall within any of the exempt classes or such a Shareholder elects for an otherwise exempt dividend to be taxable, they will be subject to corporation tax (currently at a rate of 19 per cent., but expected to rise to 25 per cent. with effect from April 2023 for companies with profits of more than £250,000 and a tapered rate for companies with profits between £50,000 and £250,000).

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

### ***Investment trust dividends – elective regime***

Provided the Company qualifies as an investment trust and satisfies certain conditions set out in the Investment Trusts (Dividends) (Optional Treatment as Interest Distributions) Regulations 2009 (**Interest Distributions Regulations**), it may designate all or part of an amount it distributes by way of a dividend as an "interest distribution". The Company may not designate as an interest distribution an amount that exceeds its qualifying interest income for the accounting period in which the distribution is made.

If an election under the Interest Distributions Regulations is made by the Company to designate part or all of its dividends as an interest distribution in respect of an accounting period, then the corresponding dividends paid by the Company will be taxed as interest income in the hands of UK resident individual shareholders. To the extent the Shareholder is within the basic rate band, interest received in excess of the tax-free savings income of £1,000, will be taxed at 20 per cent. To the extent the Shareholder is within the higher rate band, interest received in excess of the tax-free savings income for higher rate tax payers of £500, will be taxed at 40 per cent. To the extent the Shareholder is within the additional rate band, interest received will be taxed at 45 per cent. The tax-free savings income is not available for additional rate taxpayers.

If an election under the Interest Distributions Regulations is made by the Company to designate part or all of its dividends as an interest distribution in respect of an accounting period then the corresponding dividends paid by the Company will be generally taxed according to loan relationship rules in the hands of UK corporate Shareholders and subject to corporation tax (currently at a rate of 19 per cent.).

The Company will not be required to withhold tax at source when paying a dividend that is designated as an interest distribution.

## **3 STAMP DUTY AND STAMP DUTY RESERVE TAX (SDRT)**

The issue of new Shares pursuant to the Initial Issue and any Subsequent Placing should not generally be subject to UK stamp duty or SDRT.

Transfers on the sale of existing Shares held in certificated form will generally be subject to UK stamp duty at the rate of 0.5 per cent. of the amount or value of the consideration given for the transfer (rounded up to the nearest £5). Stamp duty is, in general, payable by the purchaser. An exemption from stamp duty is available for instruments transferring Shares where the amount or value of the consideration is £1,000 or less and it is certified on the instrument that the transaction effected by it does not form part of a larger transaction or series of transactions in respect of which the aggregate amount or value of the consideration exceeds £1,000.

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

Paperless transfers of existing Shares within the CREST system will generally be liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system (but in practice the cost will be passed on to the purchaser). Deposits of Shares into CREST will not generally be subject to SDRT, unless the transfer into CREST is itself for consideration in the form of money or money's worth.

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

#### **4 ISAS, SIPPS AND SSASS**

Shares issued by the Company that are acquired by an ISA plan manager through the Offer for Subscription or in the secondary market (but not through the Initial Placing or pursuant to the Placing Programme), should be eligible to be held in a stocks and shares ISA, subject to applicable annual subscription limits (£20,000 in the tax year 2021/2022) and other eligibility requirements.

Qualifying investments held in ISAs are generally expected to be free of UK tax on both capital gains and income.

Shares should be eligible for inclusion in a self-invested personal pension (**SIPP**) or a small self-administered scheme (**SSAS**), subject to the discretion of the trustees (or, where applicable, the providers) of the SIPP or the SSAS, as the case may be.

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

#### **5 INFORMATION REPORTING**

The UK has entered into international agreements with a number of jurisdictions which provide for the exchange of information, and introduced legislation implementing such agreements in order to combat tax evasion and improve tax compliance. These include, but are not limited to, an Inter-Governmental Agreement with the United States in relation to FATCA and agreements regarding the OECD's global standard for automatic and multilateral exchange of information between tax authorities, known as the "Common Reporting Standard". In connection with such international agreements and obligations the Company may, *inter alia*, be required to collect and report to HMRC certain information regarding Shareholders and other account holders of the Company and HMRC may pass this information on to tax authorities in other jurisdictions in accordance with the relevant international agreements.

Although the Company intends to comply with the automatic exchange of information rules imposed by FATCA, CRS and other information reporting agreements and arrangements (such as DAC6 or the OECD's Mandatory Disclosure Rules), the Company cannot guarantee that it will be able to satisfy its obligations under these regimes, and Shareholders are encouraged to consult their own tax advisers regarding the possible application of these regimes to their investment in the Company.

**THE PRECEDING DISCUSSION IS NOT A FULL DESCRIPTION OF THE COMPLEX TAX RULES RELEVANT TO AN INVESTMENT IN THE COMPANY. THE TAX AND OTHER MATTERS DESCRIBED HEREIN DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE SHAREHOLDERS. EACH PROSPECTIVE SHAREHOLDER SHOULD CONSULT WITH ITS OWN PROFESSIONAL TAX ADVISOR WITH RESPECT TO THE TAX ASPECTS OF AN INVESTMENT IN THE COMPANY.**

## **6 OTHER JURISDICTIONS**

Prospective purchasers of Shares in other tax jurisdictions should consult their own professional tax advisers as to the tax consequences of the purchase, ownership and disposal of Shares.

Any person who is in any doubt as to his, her or its tax position in consequence of acquiring, holding or disposing of Shares, or requires more detailed information than the general outline above should consult his, her or its own independent professional advisers.

## **7 PREVENTION OF THE CRIMINAL FACILITATION OF TAX EVASION**

Two UK corporate criminal offences for failure to prevent the facilitation of tax evasion ("FTP offences") have been created by the Criminal Finances Act 2017. The offences came into force on 30 September 2017. The FTP offences impose criminal liability on a company or a partnership (a "relevant body") if it fails to prevent the criminal facilitation of tax evasion by a "person associated" with the relevant body. There is a defence to the charge if the relevant body can show that it had in place "reasonable prevention procedures" at the time the facilitation took place.

In order to comply with the Criminal Finances Act 2017, the Company and/or the Investment Adviser may require additional information from Shareholders or prospective investors in the Company regarding their tax affairs.

## Part 8

### Additional Information

#### 1 THE COMPANY, THE AIFM AND THE INVESTMENT ADVISER

- 1.1 The Company was incorporated in England and Wales on 16 September 2021 as a public limited company under the Companies Act with registered number 13624999. The Company has an indefinite life.
- 1.1 The principal place of business and registered office of the Company is 6th Floor, Bastion House, 140 London Wall, London, England, EC2Y 5DN, its telephone number is and its website address is [www.atratoroof.com](http://www.atratoroof.com). The Company's Legal Entity Identifier is 213800IE1PPREDIIZB62. Information on the Company's website does not form part of this Prospectus unless that information is incorporated by reference into this Prospectus.
- 1.2 The principal legislation under which the Company operates is the Companies Act. The Company will not be regulated as a collective investment scheme by the FCA. However, from the date of the relevant Admission, the Ordinary Shares and/or C Shares, as applicable, will be admitted to the premium segment of the Official List of the FCA and to trading on the premium segment of the Main Market of the London Stock Exchange. The Company will be subject to the Listing Rules, the UK Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, UK MAR and to the rules of the London Stock Exchange.
- 1.3 The Company has not commenced operations since incorporation and, as at the date of this Prospectus, no financial statements have been made up and no dividends have been declared by the Company.
- 1.4 The Company's accounting period will end on 30 September of each year with the first accounting period ending on 30 September 2022. The annual report and accounts will be prepared in Sterling according to the accounting standards laid out under IFRS.
- 1.5 On 29 September 2021, the Company was granted a certificate under Section 761 of the Companies Act entitling it to commence business and to exercise its borrowing powers.
- 1.6 The Company has given notice to the Registrar of Companies of its intention to carry on business as an investment company pursuant to Section 833 of the Companies Act.
- 1.7 The Company is domiciled in England and Wales and, as at the date of this Prospectus, does not have any employees. Other than Holdco the Company does not have any subsidiaries.
- 1.8 The AIFM, JTC Global AIFM Solutions Limited, is a limited liability company incorporated in Guernsey on 9 January 2017 under The Companies (Guernsey) Law, 2008, as amended, with company number 62964. The AIFM is licensed by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, to conduct certain restricted activities in relation to collective investment schemes. The registered office of the AIFM is Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT and its telephone number is +44 (0) 1481 702400.
- 1.9 The Investment Adviser, Atrato Partners Limited, is a private limited company incorporated in England and Wales on 20 December 2016 with company number 10533101. The address of the registered office of the Investment Adviser is c/o Hillier Hopkins LLP, First Floor, Radius House, 51 Clarendon Road, Watford and its telephone number is +44 (0)1923 232938.

#### 2 SHARE CAPITAL

- 2.1 On incorporation, one Ordinary Share was issued (fully paid) for the purposes of incorporation to the subscriber to the Company's memorandum of association (the **Subscriber Share**). On 17 September 2021 the Subscriber Share was transferred to Atrato Group Limited. On 22 September



2021, 50,000 Redeemable Preference Shares were issued at par to Atrato Group Limited. The Redeemable Preference Shares are paid up as to one quarter of their nominal value.

- 2.2 Set out below is the issued share capital of the Company: (i) as at the date of this Prospectus; and (ii) following Initial Admission (assuming the Initial Issue is in respect of 150 million Ordinary Shares):

	<b>Ordinary Shares*</b>		<b>Redeemable Preference Shares**</b>	
	<b>Aggregate Nominal Value (£)</b>	<b>Number</b>	<b>Aggregate Nominal Value (£)</b>	<b>Number</b>
<b>As at the date of this Prospectus</b>	0.01	1	50,000	50,000
<b>Immediately following Initial Admission</b>	150,0000	150,000,000	0	0

Notes:

\* All Ordinary Shares will be fully paid at Initial Admission.

\*\* The Redeemable Preference Shares will be redeemed immediately following Initial Admission out of the proceeds of the Initial Issue. The Ordinary Shares are not redeemable.

- 2.3 The effect of the Initial Issue will be to increase the net assets of the Company. On the assumption that the Gross Initial Proceeds are the target issue of £150 million, the Initial Issue is expected to increase the net assets of the Company by approximately £147 million after taking into account costs of £3 million (being approximately 2 per cent. of the Gross Initial Proceeds).
- 2.4 By an ordinary resolution passed on 22 September 2021 the directors were generally and unconditionally authorised, in accordance with section 551 of the Companies Act, to exercise all the powers of the Company to issue and allot redeemable preference shares of £1.00 each in the capital of the Company (Redeemable Preference Shares), having the rights and being subject to the restrictions set out in the ordinary resolution, up to an aggregate nominal value of £50,000, provided that this authority was limited to the allotment of up to 50,000 Redeemable Preference Shares for the purposes of enabling the Company to obtain a trading certificate pursuant to and in accordance with section 761 of the Companies Act, such authority to expire on 31 December 2021.
- 2.5 By resolutions passed on 21 October 2021:

**Ordinary resolutions:**

- (a) the Directors were generally and unconditionally authorised, in accordance with section 551 of the Companies Act, to exercise all the powers of the Company to issue and allot shares in the Company up to an aggregate nominal value of £3,500,000, provided that this authority was limited to (i) the allotment of up to 150 million Ordinary Shares pursuant to the Initial Issue and (ii) the allotment of up to 350 million Ordinary Shares and/or C Shares (less the number of Ordinary Shares issued pursuant to the Initial Issue) pursuant to the Placing Programme, such authority to expire on 31 October 2022, save that the Company may, before such expiry, make an offer or agreement which would or might require Ordinary Shares or C Shares to be allotted after such expiry and the Directors may allot Ordinary Shares and/or C Shares in pursuance of such an offer or agreement as if this authority had not expired;
- (b) in addition to the authority referred to in paragraph 2.5 (a) above, the Directors were further generally and unconditionally authorised, in accordance with section 551 of the Companies

Act, to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for shares in the Company up to an aggregate nominal amount of £700,000, provided that this authority was limited to the allotment of Ordinary Shares representing up to 19.99 per cent. of the Ordinary Shares in issue immediately following expiry of the Placing Programme, such authority to expire, unless previously revoked, varied or renewed by the Company at a general meeting, at the conclusion of the first annual general meeting of the Company to be held in 2023, save that the Company may, before such expiry, make an offer or agreement which would or might require Ordinary Shares to be allotted or rights to subscribe for shares to be granted after such expiry and the Directors may allot Ordinary Shares or grant rights to subscribe for shares (as the case may be) in pursuance of such an offer or agreement as if the authority had not expired;

### **Special resolutions**

- (c) subject to and in accordance with section 570 and section 573 of the Companies Act, the Directors were generally empowered to allot equity securities (within the meaning of section 560 Companies Act) for cash pursuant to the authority referred to in paragraph 2.5(a) above, as if section 561(1) of Companies Act did not apply to any such allotment, provided that this authority shall expire on 31 October 2022, save that the Company may, before such expiry, make an offer or agreement which would or might require Ordinary Shares or C Shares to be allotted after such expiry and the Directors may allot Ordinary Shares and/or C Shares in pursuance of such an offer or agreement as if this authority had not expired;
- (d) in addition to the authority referred to in paragraph 2.5(a) above and subject to and in accordance with section 570 and section 573 of the Companies Act, the Directors were further generally empowered to allot equity securities (within the meaning of section 560 Companies Act) for cash pursuant to the authority referred to in paragraph 2.5(a) above or by way of a sale of treasury shares, as if section 561(1) of the Companies Act did not apply to any such allotment or sale, provided that this power shall, unless previously revoked, varied or renewed by the Company in general meeting, expire at the earlier of: (A) the conclusion of the first annual general meeting of the Company to be held in 2023; or (B) eighteen months from the date of the passing of this resolution, save that the Company may, before such expiry, make an offer or agreement which would or might require Ordinary Shares to be allotted or rights to subscribe for shares to be granted after such expiry and the Directors may allot Ordinary Shares or grant rights to subscribe for shares (as the case may be) in pursuance of such an offer or agreement as if this authority had not expired;
- (e) the Company was and is hereby generally and unconditionally authorised, for the purposes of section 701 of the Companies Act, to make market purchases (within the meaning of section 693(4) of the Companies Act) of Ordinary Shares on such terms and in such manner as the Directors shall from time to time determine, provided that:
  - (i) the maximum aggregate number of Ordinary Shares authorised to be purchased, other than pursuant to an offer made to the Shareholders generally, is 22,500,000 Ordinary Shares, provided that the number of Ordinary Shares to be acquired between the date of the passing of this resolution and the first annual general meeting of the Company to be held in 2023 shall not exceed 14.99 per cent. of the Ordinary Shares in issue as at Initial Admission;
  - (ii) the minimum price (exclusive of expenses) which may be paid for an Ordinary Share is one penny;
  - (iii) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share is the higher of:
    - (A) 5 per cent. above the average of the middle market quotations for an Ordinary Share (as derived from the London Stock Exchange Daily Official List) for the five Business Days immediately preceding the date on which that Ordinary Share is contracted to be purchased; and

- (B) that stipulated by article 5(6) of the UK version of the EU Market Abuse Regulation (2014/596) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by the Market Abuse (Amendment) (EU Exit) Regulations 2019;
  - (iv) this authority shall, unless previously revoked, varied or renewed by the Company at a general meeting, expire at the earlier of: (A) the conclusion of the first annual general meeting of the Company to be held in 2023; and (B) eighteen months from the date of the passing of this resolution, provided that the Company may, at any time prior to the expiry of this authority, enter into a contract or contracts under which a purchase of Ordinary Shares under this authority will or may be completed or executed wholly or partly after the expiration of this authority and the Company may purchase Ordinary Shares in pursuance of any such contract or contracts as if this authority had not expired;
  - (f) conditional upon Initial Admission occurring and approval of the court, the amount standing to the credit of the share premium account of the Company immediately following Initial Admission was approved to be cancelled and the amount of the share premium account so cancelled be credited as a distributable reserve to be established in the Company's books of account which shall be capable of being applied in any manner in which the Company's profits available for distribution (as determined in accordance with the Companies Act) are to be applied;
  - (g) subject to Initial Admission occurring and conditional upon the Company having sufficient paid up share capital to maintain its status as a public limited company and to comply with the conditions of section 761 of the Companies Act 2006, the Directors were and are authorised to redeem and cancel the Redeemable Preference Shares for the time being in the issued share capital of the Company; and
  - (h) the Articles as presented to the general meeting, and for the purposes of identification signed by the Chair, were and the same are hereby adopted as the articles of association of the Company in substitution for, and to the exclusion of, the then existing articles of association.
- 2.6 The provisions of Section 561(1) of the Companies Act (which, to the extent not disapplied pursuant to Sections 570 and 573 of the Companies Act, confer on Shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) apply to issues by the Company of equity securities save to the extent disapplied as mentioned in paragraphs 2.5(c) and 2.5(d) above.
- 2.7 The Companies Act abolished the requirement for companies incorporated in England and Wales to have an authorised share capital. Furthermore, the Articles do not contain a provision expressly limiting the number of Ordinary Shares that can be issued by the Company.
- 2.8 In accordance with the authority referred to in paragraph 2.5(a) above, it is expected that the Ordinary Shares to be issued pursuant to the Initial Issue will be allotted (conditionally upon Initial Admission) pursuant to a resolution of the Board to be passed shortly before Initial Admission in accordance with the Companies Act.
- 2.9 Save as disclosed in this Part 8, no share or loan capital of the Company has since the date of incorporation of the Company been issued or been agreed to be issued, fully or partly paid, either for cash or for a consideration other than cash, and no such issue is now proposed.
- 2.10 The Company has not granted any options over its share or loan capital which remain outstanding and has not agreed, conditionally or unconditionally to grant any such options and no convertible securities, exchangeable securities or securities with warrants have been issued by the Company.
- 2.11 All of the Ordinary Shares will be in registered form and will be eligible for settlement in CREST from Initial Admission. Temporary documents of title will not be issued.

- 2.12 Applicants who have signed and returned Application Forms in respect of the Offer for Subscription may not withdraw their applications for Ordinary Shares subject to their statutory rights of withdrawal in the event of the publication of a supplementary prospectus.

### 3 INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

- 3.1 The Directors and/or their connected persons intend to subscribe for Ordinary Shares pursuant to the Initial Issue in the amounts set out below:

Director	Number of Ordinary Shares	% of issued Ordinary Share capital*
Juliet Davenport	20,000	0.0133
Marlene Wood	20,000	0.0133
Faye Goss	20,000	0.0133

Notes:

\* Assuming Gross Initial Proceeds of £150 million are issued.

Save as disclosed in this paragraph 3.1, immediately following Initial Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

- 3.2 No amount has been set aside or accrued by the Company to provide pensions, retirement or other similar benefits.
- 3.3 None of the Directors has, or has had, an interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company or that has been effected by the Company since its incorporation.
- 3.4 The Company has not made any loans to the Directors which are outstanding, nor has it ever provided any guarantees for the benefit of any Director or the Directors collectively.
- 3.5 Over the five years preceding the date of this Prospectus, the Directors hold or have held the following directorships (apart from their directorships of the Company) or memberships of administrative, management or supervisory bodies and/or partnerships:

Name	Current	Previous
Juliet Davenport	Next Green Car Ltd Skipyard Ltd Sonnenblume Ltd Good Energy Group Plc The Crown Estate / Crown Commissioners Innovate UK Council REA (The Association for Renewable Energy & Clean Technology) Energy Institute	Good Energy Development (No. 25) Limited Good Energy Development (No. 26) Limited Good Energy Development (No. 27) Limited Good Energy Development (No. 28) Limited Good Energy Development (No. 29) Limited Good Energy Generation Assets No. 1 Limited

Name	Current	Previous
		<p>Good Energy Holding Company No. 1 Limited</p> <p>Good Energy Development (No.16) Limited</p> <p>Good Energy Development (No.20) Limited</p> <p>Good Energy Development (No.21) Limited</p> <p>Good Energy Tidal Limited</p> <p>Worminster Down Somerset Community Solar Farm C.I.C.</p> <p>Good Energy Development (No.17) Limited</p> <p>Llangyfelach Community Solar Farm C.I.C.</p> <p>Good Energy Development (No.12) Limited</p> <p>Good Energy Development (No.22) Limited</p> <p>Good Energy Development (No.14) Limited</p> <p>Good Energy Development (No.15) Limited</p> <p>Good Energy Development (No.8) Limited</p> <p>Good Energy Development (No.1) Limited</p> <p>Good Energy Development (No.5) Limited</p> <p>Good Energy Development (No.3) Limited</p> <p>Good Energy Development (No.9) Limited</p> <p>Good Energy Development (No.10) Limited</p> <p>Good Energy Development (No.6) Limited</p> <p>Good Energy Development (No.4) Limited</p> <p>Good Energy Development (No.7) Limited</p> <p>Good Energy Cedar Windfarm Limited</p> <p>Good Energy Development (No. 30) Limited</p>

Name	Current	Previous
		<p>Good Energy Creathorne Farm Solar Park (003) Limited</p> <p>Good Energy Rook Wood Solar Park (057) Limited</p> <p>Good Energy Development (No. 23) Limited</p> <p>Good Energy Lower End Farm Solar Park (026) Limited</p> <p>Good Energy Cross Road Plantation Solar Park (028) Limited</p> <p>Good Energy Brynwhilach Solar Park Limited</p> <p>Good Energy Development (No. 24) Limited</p> <p>Good Energy Carloggas Solar Park (009) Limited</p> <p>Good Energy Lanyon Solar Park (011) Limited</p> <p>Good Energy Mapperton Solar Park (007) Limited</p> <p>Good Energy Woolbridge Solar Park (010) Limited</p> <p>Good Energy Hampole Windfarm Limited</p> <p>Good Energy Delabole Windfarm Limited</p> <p>Homegrown Energy Ltd</p> <p>Good Energy Gas Limited</p> <p>Windelectric Ltd (Dissolved)</p> <p>Good Energy Generation Limited</p> <p>Good Energy Limited</p>
Marlene Wood	<p>RM Infrastructure Income PLC</p> <p>GCP Student Living PLC</p> <p>Home REIT PLC</p> <p>RM ZDP PLC (<i>in members' voluntary liquidation</i>)</p> <p>2010 Finance Limited</p> <p>One Parent Families Scotland</p>	<p>Foresight European Sustainable Income Fund PLC</p> <p>Scottish Funding Council for Further and Higher Education</p> <p>GCP Operations Limited</p> <p>Aviva Investors Secure Income REIT Limited</p> <p>Edinburgh Printmakers Limited</p>

Name	Current	Previous
	GCP Brunswick limited GCP Scape East Limited  GCP Topco Limited  GCP RHUL 2 Limited  GCP RHUL Limited  GCP Holdco Limited  GCP Makerfield Limited  GCP Wembley Ltd  GCP Wembley 2 Limited  GCP WL Limited  GCP SG Limited  GCP Surrey 2 Limited  GCP Bloomsbury Limited  GCP Topco 2 Limited  GCP Holdco 2 Limited  GCP Holdco 3 Limited  GCP Brighton Limited  GCP QMUL Ltd  GCP Greenwich Limited  GCP Greenwich 2 Limited  GCP Greenwich JV Limited  GCP Old Street Limited  GCP Old Street 2 Limited  GCP Old Street Acquisitions Limited	University of the Highlands and Islands
Faye Goss	-	-

3.6 The Directors in the five years before the date of this Prospectus:

(a) do not have any convictions in relation to fraudulent offences;

- (b) have not been associated with any bankruptcies, receiverships or liquidations of any partnership or company, or any company put into administration, through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
  - (c) do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.
- 3.7 As at the date of this Prospectus, none of the Directors has any conflict of interest or potential conflict of interest between any duties to the Company and their private interests and any other duties. Each of the Investment Adviser and the AIFM, any of their respective directors, officers, employees, agents and Affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed (each an **Interested Party**) may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company. In particular, Interested Parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services. For example, an Interested Party may acquire on behalf of a client an investment in which the Company may invest.
- 3.8 The Company intends to maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.
- 3.9 There are no family relationships between any of the Directors.
- 3.10 As at the date of this Prospectus and pending the allotment of Ordinary Shares pursuant to the Initial Issue, the Company is controlled by Atrato Group Limited as the sole shareholder of the Company. As at the date of this Prospectus, there are no persons known to the Company who, directly or indirectly, will be interested in three per cent. or more of the Company's issued share capital on Initial Admission save as disclosed above, and the Company and the Directors are not aware of any other person who directly or indirectly, jointly or severally exercises or could exercise control over the Company.
- 3.11 All Shareholders have the same voting rights in respect of the share capital of the Company.
- 3.12 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

#### **4 DIRECTORS' APPOINTMENT LETTERS**

- 4.1 No Director has a service contract with the Company, nor are any such contracts proposed.
- 4.2 Each Director has entered into a letter of appointment with the Company. The Directors' appointments can be terminated in accordance with the Articles and without compensation. All Directors are subject to retirement by rotation in accordance with the Articles. There is no notice period specified in the letters of appointment or Articles for the removal of Directors. The Articles provide that the office of Director shall be terminated by, amongst other things: (i) written resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; or (iii) written request of all of the other Directors.
- 4.3 Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chairman, the initial fees will be £37,500 for each Director per annum. The Chair's initial fee will be £50,000 per annum. In addition, the Chair of the Audit Committee will receive an additional fee of £5,000 per annum.
- 4.4 The Directors are also entitled to out-of-pocket expenses incurred in the proper performance of their duties.



## **5 GROUP STRUCTURE**

- 5.1 The Company will make its investments via Atrato Onsite Energy HoldCo Limited (Holdco), a wholly-owned subsidiary of the Company. Holdco will invest directly or indirectly in the SPVs which own the assets.
- 5.2 Holdco was incorporated in England and Wales on 4 October 2021 as a private limited company under the Companies Act with registered number 13659533 and having its registered office at 6th Floor Bastion House, 140 London Wall, London EC2Y 5DN.
- 5.3 The directors of Holdco are Lara Townsend and Natalie Markham. Both are members of the Investment Committee and, as such, there is a potential conflict of interest between their duties to Holdco and their duties to the Investment Adviser.
- 5.4 As at this document, none of the directors of Holdco:
- (a) has any convictions in relation to fraudulent offences for at least the previous five years;
  - (b) has been bankrupt or been a director of any company or been a member of the administrative, management or supervisory body of an issuer or a senior manager of an issuer at the time of any bankruptcy, receivership or compulsory or creditors' voluntary liquidation for at least the previous five years; or
  - (c) has been subject to any official public incrimination or sanction of them by any statutory or regulatory authority (including designated professional bodies) nor have they been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer, for at least the previous five years.
- 5.5 The Company holds the entire issued share capital in Holdco.

## **6 THE ARTICLES**

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

### **6.1 Objects/Purposes**

The Articles do not provide for any objects of the Company and accordingly the Company's objects are unrestricted.

### **6.2 Voting Rights**

Subject to the provisions of the Companies Act, to any special terms as to voting on which any shares may have been issued or may from time to time be held and to any suspension or abrogation of voting rights pursuant to the Articles, at a general meeting of the Company every member who is present in person shall, on a show of hands, have one vote, every proxy who has been appointed by a member entitled to vote on the resolution shall, on a show of hands, have one vote and every member present in person or by proxy shall, on a poll, have one vote for each share of which he is a holder. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

Unless the Board otherwise determines, no member is entitled to vote at a general meeting or at a separate meeting of the shareholders of any class of shares, either in person or by proxy, or to exercise any other right or privilege as a member in respect of any share held by him, unless all calls presently payable by him in respect of that share, whether alone or jointly with any other person, together with interest and expenses (if any) payable by such member to the Company have been paid or if he, or any other person whom the Company reasonably believes to be interested in such shares, has been issued with a notice pursuant to the Companies Act requiring

such person to provide information about his interests in the Company's shares and has failed in relation to any such shares to give the Company the required information within 14 days.

### **6.3 Dividends**

Subject to the provisions of the Companies Act and of the Articles, the Company may by ordinary resolution declare dividends to be paid to members (including out of its accumulated, realised revenue profits, as long as it remains an investment company, in accordance with the Companies Act) according to their respective rights and interests in the profits of the Company. However, no dividend shall exceed the amount recommended by the Board.

Subject to the provisions of the Companies Act, the Board may declare and pay such interim dividends (including any dividend payable at a fixed rate) as appears to the Board to be justified by the profits of the Company available for distribution. If at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends on shares which rank after shares conferring preferential rights with regard to dividends as well as on shares conferring preferential rights, unless at the time of payment any preferential dividend is in arrears. Provided that the Board acts in good faith, it shall not incur any liability to the holders of shares conferring preferential rights for any loss that they may suffer by the lawful payment of any interim dividend on any shares ranking after those preferential rights.

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up (otherwise than in advance of calls) on the shares on which the dividend is paid. Subject as aforesaid, all dividends should be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, it shall rank for dividend accordingly.

All dividends, interest or other sums payable and unclaimed for a period of 12 months after having become payable may be invested or otherwise used by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends unclaimed for a period of 12 years after having become payable shall (if the Board so resolves) be forfeited and shall cease to remain owing by, and shall become the property of, the Company.

The Board may, with the authority of an ordinary resolution of the Company, direct that payment of any dividend declared may be satisfied wholly or partly by the distribution of assets, and in particular of paid up shares or debentures of any other company, or in any one or more of such ways.

The Board may also, with the prior authority of an ordinary resolution of the Company and subject to such terms and conditions as the Board may determine, offer to holders of Ordinary Shares (excluding any member holding Ordinary Shares as treasury shares) the right to elect to receive Ordinary Shares, credited as fully paid, instead of the whole (or some part, to be determined by the Board) of any dividend specified by the ordinary resolution.

Unless the Board otherwise determines, the payment of any dividend or other money that would otherwise be payable in respect of shares will be withheld if such shares represent at least 0.25 per cent in nominal value of their class and the holder, or any other person whom the Company reasonably believes to be interested in those shares, has been duly served with a notice pursuant to the Companies Act requiring such person to provide information about his interests in the Company's shares and has failed to supply the required information within 14 days. Furthermore such a holder shall not be entitled to elect to receive shares instead of a dividend.

### **6.4 Transfer of shares**

Subject to any applicable restrictions in the Articles, each member may transfer all or any of his shares which are in certificated form by instrument of transfer in writing in any usual form or in any form approved by the Board. Such instrument must be executed by or on behalf of the transferor and (in the case of a transfer of a share which is not fully paid up) by or on behalf of

the transferee. The transferor is deemed to remain the holder of the share until the transferee's name is entered in the register of members.

The Board may, in its absolute discretion, refuse to register any transfer of a share or renunciation of a renounceable letter of allotment unless:

- (a) it is in respect of a share which is fully paid up;
- (b) it is in respect of only one class of shares;
- (c) it is in favour of a single transferee or not more than four joint transferees;
- (d) it is duly stamped (if so required);
- (e) it is delivered for registration to the registered office for the time being of the Company or such other place as the Board may from time to time determine; and
- (f) accompanied (except in the case of: a transfer by a recognised person where a certificate has not been issued; a transfer of an uncertificated share; or a renunciation) by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor or person renouncing and the due execution of the transfer or renunciation by him or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so,

provided that the Board shall not refuse to register a transfer or renunciation of a partly paid share on the grounds that it is partly paid in circumstances where such refusal would prevent dealings in such share from taking place on an open and proper basis on the market on which such share is admitted to trading.

The Board may refuse to register a transfer of an uncertificated share in such other circumstances as may be permitted or required by the regulations and the relevant electronic system.

Unless the Board otherwise determines, a transfer of shares will not be registered if the transferor or any other person whom the Company reasonably believes to be interested in the transferor's shares has been duly served with a notice pursuant to the Companies Act requiring such person to provide information about his interests in the Company's shares has failed to supply the required information within 14 days and the shares in respect of which such notice has been served represent at least 0.25 per cent in nominal value of their class, unless the member is not himself in default as regards supplying the information required and proves to the satisfaction of the Board that no person in default as regards supplying such information is interested in any of the shares the subject of the transfer, or unless such transfer is by way of acceptance of a takeover offer, in consequence of a sale on a recognised stock exchange or is in consequence of a *bona fide* sale to an unconnected party.

If the Board refuses to register a transfer of a share, it shall send the transferee notice of its refusal, together with its reasons for refusal, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company.

No fee shall be charged for the registration of any instrument of transfer or any other document relating to or affecting the title to any share.

If it shall come to the notice of the Directors that any shares are owned directly, indirectly or beneficially by a Non-Qualified Holder or a transfer of shares is in favour of any Non-Qualified Holder, the Directors may: (i) refuse to register a transfer of such shares and/or (ii) serve a notice (a "Transfer Notice") upon the person (or any one of such persons where shares are registered in joint names) appearing in the register as the holder (the "Vendor") of any of the shares concerned (the "Relevant Shares") requiring the Vendor within thirty days (or such extended time as in all the circumstances the Directors consider reasonable) to transfer (and/or procure the disposal of interests in) the Relevant Shares to another person who, in the sole and conclusive determination of the Directors, is not a Non-Qualified Holder (such a person being hereinafter

called an "Eligible Transferee"). On and after the date of such Transfer Notice, and until registration of a transfer of the Relevant Shares to which it relates pursuant to the provisions referred to in this or the next paragraph below, the rights and privileges attaching to the Relevant Shares will be suspended and not capable of exercise.

If within thirty days after the giving of a Transfer Notice (or such extended time as in all the circumstances the Directors consider reasonable) the Transfer Notice has not been complied with to the satisfaction of the Directors, the Company may sell the Relevant Shares on behalf of the holder of them by instructing a member of the London Stock Exchange to sell them on arm's length terms to any Eligible Transferee or Eligible Transferees. For this purpose the Directors may authorise in writing any officer or employee of the Company or any officer or employee of the secretary of the Company or of any manager that may be appointed to transfer the Relevant Shares on behalf of the holder of them to the purchaser or purchasers and an instrument of transfer executed by that person will be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the Relevant Shares. The purchaser will not be bound to see the application of the purchase monies nor will its title to the Relevant Shares be affected by an irregularity or invalidity in the proceedings relating to the sale or by the price at which the Relevant Shares are sold. The net proceeds of the sale of the Relevant Shares will be received by the Company, whose receipt will be a good discharge for the purchase moneys, and will belong to the Company and, upon their receipt, the Company will become indebted to the former holder of, or person entitled by transmission to, the Relevant Shares for an amount equal to the net proceeds of transfer upon surrender by it or them, in the case of certificated shares, of the certificate for the Relevant Shares which the Vendor shall immediately be obliged to deliver to the Company. No trust will be created in respect of the debt and no interest will be payable in respect of it. The Company will pay to the Vendor at its discretion or on demand by the Vendor the proceeds of transferring the Relevant Shares (less costs and expenses) but otherwise the Company will not be required to account for any money secured from the net proceeds of transfer which may be employed in the business of the Company or as it thinks fit. The Company may register the transferee as holder or holders of the Relevant Shares at which time the transferee will become absolutely entitled to them.

A person who becomes aware that it is a Non-Qualified Holder shall forthwith, unless it has already received a Transfer Notice pursuant to the provisions of the Articles summarised above, either transfer the shares to one or more Eligible Transferees or give a request in writing to the Directors for the issue of a Transfer Notice in accordance with the provisions of the Articles summarised above. Every such request shall, in the case of certificated shares, be accompanied by the certificate(s) for the shares to which it relates.

Subject to the provisions of the Articles, the Directors will, unless any Director has reason to believe otherwise, be entitled to assume without enquiry that none of the shares are held directly, indirectly or beneficially by a Non-Qualified Holder. The Directors may, however, at any time and from time to time call upon any holder (or any one of joint holders) of shares by notice in writing to provide such information and evidence as they require upon any matter connected with or in relation to such holder of shares. In the event of such information and evidence not being so provided within such reasonable period (not being less than twenty-one days after service of the notice requiring the same) as may be specified by the Directors in the said notice, the Directors may, in their absolute discretion, treat any share held by such a holder or joint holders as being held by a Non-Qualified Holder.

The Directors will not be required to give any reasons for any decision, determination or declaration taken or made in accordance with these provisions. The exercise of the powers conferred by the provisions of the Articles summarised above may not be questioned or invalidated in any case on the grounds that there was insufficient evidence of direct, indirect or beneficial ownership or holding of shares by any person or that the true direct, indirect or beneficial owner or holder of any shares was otherwise than as appeared to the Directors at the relevant date provided that the said powers have been exercised in good faith.

## 6.5 Variation of rights

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

Subject to the terms of issue of or rights attached to any shares, the rights for the time being attached to any shares shall be deemed not to be varied or abrogated by the creation or issue of any new shares ranking *pari passu* in all respects (save as to the date from which such new shares shall rank for dividend) with or subsequent to those already issued or by the reduction of the capital paid up on such shares or by the purchase or redemption by the Company of its own shares or the sale of any shares held as treasury shares in accordance with the provisions of the Companies Act and the Articles.

## 6.6 General meetings

The Board may convene a general meeting (which is not an annual general meeting) whenever it thinks fit.

A general meeting shall be convened by such notice as may be required by law from time to time. The notice shall specify whether the meeting is convened as an annual general meeting or any other general meeting, the day, time and place of the meeting and the general nature of the business to be transacted at the meeting. In the case of a meeting convened to pass a special resolution, the notice shall specify the intention to propose the resolution as a special resolution. The notice shall specify that a member entitled to attend and vote is entitled to appoint one or more proxies to attend and to speak and vote instead of the member and that a proxy need not also be a member. The notice must be given to the members (other than any who, under the provisions of the Articles or of any restrictions imposed on any shares, are not entitled to receive notice from the Company), to the Board and the Auditors. The accidental omission to give notice to, or the non-receipt of notice by, any person entitled to receive the same, shall not invalidate the proceedings at the meeting.

The right of a member to participate in the business of any general meeting shall include without limitation the right to speak, vote, be represented by a proxy or proxies and have access to all documents which are required by the Companies Act or the Articles to be made available at the meeting. A Director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting. The chairman of any general meeting may also invite any person to attend and speak at that meeting if he considers that this will assist in the deliberations of the meeting.

No business shall be transacted at any general meeting unless a quorum is present. Subject to the Articles, two persons (either members, duly authorised representatives or proxies) entitled to vote upon the business to be transacted at the meeting shall be a quorum. The chairman of the meeting may, with the consent of the meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time (or indefinitely) and from place to place as the meeting shall determine. Where a meeting is adjourned indefinitely, the Board shall fix a time and place for the adjourned meeting. Whenever a meeting is adjourned for 30 days or more or indefinitely, seven clear days' notice at the least, specifying the place, the day and time of the adjourned meeting and the general nature of the business to be transacted, must be given in the same manner as in the case of the original meeting.

A resolution put to a vote of the meeting shall be decided on a show of hands unless a poll is duly demanded. Subject to the provisions of the Companies Act, a poll may be demanded by the

chairman, at least five members having the right to vote on the resolution, a member or members representing not less than ten per cent of the total voting rights of all the members having the right to vote on the resolution or member or members holding shares conferring the right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than ten per cent of the total sum paid up on all the shares conferring that right.

The Board may, for the purpose of controlling the level of attendance and ensuring the safety of those attending at any place specified for the holding of a general meeting, from time to time make such arrangements as the Board shall in its absolute discretion consider to be appropriate and may from time to time vary any such arrangements or make new arrangements in place thereof. The entitlement of any member or proxy to attend a general meeting at such place shall be subject to any such arrangements as may be for the time being approved by the Board. In the case of any meeting to which such arrangements apply the Board may, when specifying the place of the meeting:

- (a) direct that the meeting shall be held at a place specified in the notice at which the chairman of the meeting shall preside (being the principal place); and
- (b) make arrangements for simultaneous attendance and participation at satellite meeting places or by way of any other electronic means by members otherwise entitled to attend the general meeting or who wish to attend at satellite meeting places or other places at which persons are participating by electronic means, provided that persons attending at the principal place and at satellite meeting places or other places at which persons are participating by electronic means shall be able to see, hear and be seen and heard by, persons attending at the principal place and at such other places, by any means.

Such arrangements for simultaneous attendance at such other places may include arrangements for controlling the level of attendance in any manner aforesaid at any of such other places, provided that they shall operate so that any excluded members are able to attend at one of the satellite meeting places or other places at which persons are participating by electronic means. Any such meeting shall be treated as taking place at and being held at the principal place.

The Board may direct that any person wishing to attend any meeting should provide such evidence of identity and submit to such searches or other security arrangements or restrictions as the Board shall consider appropriate in the circumstances and shall be entitled in its absolute discretion to refuse entry to any meeting to any person who fails to provide such evidence of identity or to submit to such searches or to otherwise comply with such security arrangements or restrictions.

## **6.7 Borrowing powers**

The Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertaking, property and assets (present and future) and uncalled capital and, subject to the provisions of the Companies Act, to create and issue debentures and other loan stock and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

## **6.8 Issue of shares**

Subject to the provisions of the Companies Act and to any rights for the time being attached to any shares, any shares may be allotted or issued with or have attached to them such preferred, deferred or other rights or restrictions, whether in regard to dividend, voting, transfer, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board may determine, and any share may be issued which is, or at the option of the Company or the holder of such share is liable to be, redeemed in accordance with the Articles or as the Board may determine.

Subject to the provisions of the Companies Act and to any relevant authority of the Company required by the Companies Act, any new shares shall be at the disposal of the Board.

## 6.9 Directors' fees

The Directors (other than alternate Directors) shall be entitled to receive by way of fees for their services as Directors such sum as the Board may from time to time determine (not exceeding in aggregate £500,000 per annum or such other sum as the Company in general meeting shall from time to time determine). Any such fees payable shall be distinct from any salary, remuneration or other amounts payable to a Director pursuant to any other provision of the Articles or otherwise and shall accrue from day to day.

The Directors are entitled to be repaid all reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Directors.

## 6.10 Directors' interests

The Board may authorise any matter proposed to it in accordance with the Articles which would otherwise involve a breach by a Director of its duty to avoid conflicts of interest under the Companies Act, including any matter which relates to a situation in which a Director has or can have an interest which conflicts, or possibly may conflict, with the interest of the Company or the exploitation of any property, information or opportunity, whether or not the Company could take advantage of it (excluding any situation which cannot reasonably be regarded as likely to give rise to a conflict of interest). This does not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company. Any authorisation will only be effective if any quorum requirement at any meeting at which the matter was considered is met without counting the Director in question or any other interested Director and the matter was agreed to without their voting or would have been agreed to if their votes had not been counted. The Board may impose limits or conditions on any such authorisation or may vary or terminate it at any time.

Subject to having, where required, obtained authorisation of the conflict from the Board, a Director shall be under no duty to the Company with respect to any information which they obtain or have obtained otherwise than as a Director of the Company and in respect of which they have a duty of confidentiality to another person and will not be in breach of the general duties they owe to the Company under the Companies Act because they fail to disclose any such information to the Board or to use or apply any such information in performing their duties as a Director, or because they absent themselves from meetings of the Board at which any matter relating to a conflict of interest, or possible conflict, of interest is discussed and/ or make arrangements not to receive documents or information relating to any matter which gives rise to a conflict of interest or possible conflict of interest and/or makes arrangements for such documents and information to be received and read by a professional adviser.

Provided that their interest is disclosed at a meeting of the Board, or in the case of a transaction or arrangement with the Company, in the manner set out in the Companies Act, a Director, notwithstanding their office:

- (a) may be a party to or otherwise be interested in any transaction, arrangement or proposal with the Company or in which the Company is otherwise interested;
- (b) may hold any other office or place of profit at the Company (except that of auditor of the Company or any of its subsidiaries) and may act by themselves or through their firm in a professional capacity for the Company, and in any such case on such terms as to remuneration and otherwise as the Board may arrange;
- (c) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any company promoted by the Company or in which the Company is otherwise interested or as regards which the Company has powers of appointment; and
- (d) shall not be liable to account to the Company for any profit, remuneration or other benefit realised by any office or employment or from any transaction, arrangement or proposal or from any interest in any body corporate. No such transaction, arrangement or proposal shall be liable to be avoided on the grounds of any such interest or benefit nor shall the

receipt of any such profit, remuneration or any other benefit constitute a breach of their duty not to accept benefits from third parties.

A Director need not declare an interest in the case of a transaction or arrangement with the Company if the other Directors are already aware, or ought reasonably to be aware, of the interest or it concerns the terms of their service contract that have been or are to be considered at a meeting of the Board or if the interest consists of them being a director, officer or employee of a company in which the Company is interested.

The Board may cause the voting rights conferred by the shares in any other company held or owned by the Company or any power of appointment to be exercised in such manner in all respects as it thinks fit and a Director may vote on and be counted in the quorum in relation to any of these matters.

#### **6.11 Restrictions on Directors' voting**

A Director shall not vote on, or be counted in the quorum in relation to, any resolution of the Board concerning any transaction or arrangement which is to their knowledge a material interest and, if they purport to do so, their vote will not be counted, but this prohibition shall not apply in respect of any resolution concerning any one or more of the following matters:

- (a) any transaction or arrangement in which they are interested by means of an interest in shares, debentures or other securities or otherwise in or through the Company;
- (b) the giving of any guarantee, security or indemnity in respect of money lent to, or obligations incurred by them or any other person at the request of or for the benefit of, the Company or any of its subsidiary undertakings;
- (c) the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which they themselves have assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (d) the giving of any other indemnity where all other Directors are also being offered indemnities on substantially the same terms;
- (e) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings in which offer they are or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which they are to participate;
- (f) any proposal concerning any other body corporate in which they do not to their knowledge have an interest (as the term is used in Part 22 Companies Act) in one per cent. or more of the issued equity share capital of any class of such body corporate nor to their knowledge hold one per cent. or more of the voting rights which they hold as shareholder or through their direct or indirect holding of financial instruments (within the meaning of the Disclosure and Transparency Rules) in such body corporate;
- (g) any proposal relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award them any privilege or benefit not generally awarded to the employees to whom such arrangement relates;
- (h) any proposal concerning insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors;
- (i) any proposal concerning the funding of expenditure by one or more Directors on defending proceedings against them, or doing anything to enable such Director or Directors to avoid incurring such expenditure; or
- (j) any transaction or arrangement in respect of which their interest, or the interest of Directors generally has been authorised by ordinary resolution.



A Director shall not vote or be counted in the quorum on any resolution of the Board concerning their own appointment (including fixing or varying the terms of their appointment or its termination) as the holder of any office or place of profit with the Company or any company in which the Company is interested.

#### 6.12 **Number of Directors**

Unless and until otherwise determined by an ordinary resolution of the Company, the number of Directors shall be not less than two.

#### 6.13 **Directors' appointment and retirement**

Directors may be appointed by the Company by ordinary resolution or by the Board. If appointed by the Board, a Director shall hold office only until the next annual general meeting and shall not be taken into account in determining the number of Directors who are to retire by rotation.

At each annual general meeting of the Company, all Directors shall retire and be put forward for re-election.

#### 6.14 **Notice requiring disclosure of interest in shares**

The Company may, by notice in writing, require a person whom the Company knows to be, or has reasonable cause to believe is, interested in any shares or at any time during the three years immediately preceding the date on which the notice is issued to have been interested in any shares, to confirm that fact or (as the case may be) to indicate whether or not this is the case and to give such further information as may be required by the Board. Such information may include, without limitation, particulars of the person's identity particulars of the person's status (including whether such person is a Non-Qualified Holder, domicile, nationality and residency), particulars of the person's own past or present interest in any shares and the identity of any other person who has a present interest in the shares held by him, where the interest is a present interest, and any other interest, in any shares, which subsisted during that three year period at any time when his own interest subsisted, (so far as is within his knowledge) such particulars with respect to that other interest as may be required and where a person's interest is a past interest, (so far as is within his knowledge) like particulars for the person who held that interest immediately upon his ceasing to hold it.

If any Shareholder is in default in supplying to the Company the information required by the Company within the prescribed period (which is 14 days after service of the notice), or such other reasonable period as the Board may determine, the Board in its absolute discretion may serve a direction notice on the Shareholder or (subject to the rules of CREST, the Listing Rules and the requirements of the FCA and the London Stock Exchange) take such action to compulsorily transfer shares. The direction notice may direct that in respect of the shares in respect of which the default has occurred (the **default shares**) the Shareholder shall not be entitled to vote in general meetings or class meetings. Where the default shares represent at least 0.25 per cent in nominal value of the class of shares concerned, the direction notice may additionally direct that dividends on such default shares will be retained by the Company (without interest) and that no transfer of the default shares (other than a transfer authorised under the Articles) shall be registered until the default is rectified.

#### 6.15 **Untraced shareholders**

Subject to the Articles, the Company may sell any shares registered in the name of a member remaining untraced for 12 years who fails to communicate with the Company following advertisement of an intention to make such a disposal. Until the Company can account to the member, the net proceeds of sale will be available for use in the business of the Company or for investment, in either case at the discretion of the Board. The proceeds will not carry interest.

#### **6.16 Non-United Kingdom shareholders**

There are no limitations in the Articles on the rights of non-United Kingdom shareholders to hold, or to exercise voting rights attached to, the Shares. However, non-United Kingdom shareholders are not entitled to receive notices of general meetings unless they have given an address in the United Kingdom to which such notices may be sent or, subject to and in accordance with the Companies Act, an address to which notices may be sent in electronic form.

#### **6.17 CREST**

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Articles are consistent with CREST membership and, amongst other things, allow for the holding and transfer of shares in uncertificated form from Initial Admission. The Articles contain other provisions in respect of transactions with the shares in the Company in uncertificated form and generally provide for the modifications of certain provisions of the Articles so that they can be applied to transactions with all classes of shares in the Company in uncertificated form.

#### **6.18 Indemnity of officers**

Subject to the provisions of the Companies Act, but without prejudice to any indemnity to which they might otherwise be entitled, every past or present Director (including an alternate Director) or officer of the Company or a director or officer of an associated company (except the Auditors or the auditors of an associated company) may at the discretion of the Board be indemnified out of the assets of the Company against all costs, charges, losses, damages and liabilities incurred by them for negligence, default, breach of duty, breach of trust or otherwise in relation to the affairs of the Company or of an associated company, or in connection with the activities of the Company, or of an associated company, as a trustee of an occupational pension scheme (as defined in section 235(6) Companies Act). In addition the Directors may purchase and maintain insurance at the expense of the Company for the benefit of any such person indemnifying them against any liability or expenditure incurred by them for acts or omissions as a Director or officer of the Company (or of an associated company).

#### **6.19 Lien and forfeiture**

The Company shall have a first and paramount lien on every share which is not fully paid for all amounts payable to the Company (whether presently or not) in respect of that share to the extent and in the circumstances permitted by the Companies Act. The Board may sell any share on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been sent to the holder of the share demanding payment and stating that if the notice is not complied with the share may be sold.

The Board may from time to time make calls on members in respect of any money unpaid on their shares, subject to the terms of allotment of the shares. Each member shall (subject to receiving at least 14 clear days' notice) pay to the Company the amount called on his shares. If a call or any instalment of a call remains unpaid in whole or in part after it has become due and payable, the Board may give the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not to be complied with the shares in respect of which the call was made is liable to be forfeited.

#### **6.20 Suspension of determination of Net Asset Values**

The Company may temporarily suspend the determination of the Net Asset Values, the Net Asset Value per Ordinary Share and the Net Asset Value per C Share when the prices of any investments owned by the Company cannot be promptly or accurately ascertained.

## 6.21 C Share rights

### 6.21.1. Definitions and Interpretation

For the purposes of this section 6.21 only, the following words and expressions shall bear the following meanings (notwithstanding that a different meaning may be given to any such word or expression in another provision of the Articles):

**AIFM** means the alternative investment fund manager of the Company from time to time;

**Conversion** means the conversion of C Shares into Ordinary Shares, in accordance with the provisions described paragraph 6.21.4 below;

**Conversion Ratio** means the ratio of the Net Asset Value per C Share to the Net Asset Value per Ordinary Share, which is calculated to six decimal places (with 0.0000005 being rounded upwards) by dividing the Net Asset Value per C Share by the Net Asset Value per Ordinary Share;

**C Shareholder** means a person who is a holder of C Shares;

**C Share Pool** means the pool of assets and liabilities held by the Company which are attributable only to the C Shares, which includes the net issue proceeds of any issue made by the Company of C Shares, all assets acquired using those net issue proceeds and any proceeds relating to those assets;

**Calculation Date** means the earliest of:

- (a) month end on the date 12 months after the date of admission of the relevant C Shares to the Official List of the FCA and to trading on the Main Market for listed securities of the London Stock Exchange, or if such day is not a Business Day, the first Business Day prior thereto;
- (b) close of business on the Business Day after the date on which the Investment Adviser shall have given notice to the Directors that at least 80 per cent of the net proceeds attributable to the issuance of the C Shares shall have been invested or committed; and
- (c) close of business on the last Business Day prior to the day on which the Directors resolve that any Force Majeure Circumstance has arisen or is imminent;

**Conversion Date** means the close of business on such Business Day as may be selected by the Directors falling within two months from the Calculation Date;

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

**Existing Ordinary Shares** means the Ordinary Shares in issue immediately prior to Conversion (not including any Ordinary Shares held in treasury);

**Force Majeure Circumstances** means, in relation to any C Shares (i) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable, notwithstanding that less than 80 per cent of the net proceeds attributable to the issuance of the C Shares shall have been invested or committed, or that less than 12 months has passed since the date of admission of the C Shares to the Official List of the FCA and to trading on the Main Market for listed securities of the London Stock Exchange, or (ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue any C Shares with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be issued, or (iii) the giving of notice of any general meeting of the Company at which a resolution is to be proposed to wind up the Company, whichever shall happen earliest;

**Net Asset Value** means the net asset value of the Company, the Ordinary Shares or the C Shares, as the case may be, as at the relevant date, calculated in accordance with the Company's normal accounting policies;

**Net Asset Value per C Share** means the Net Asset Value of the C Share Pool as at the Calculation Date (exclusive of any unpaid amounts of the fixed dividend on such Share unpaid as at the Calculation Date) divided by the number of C Shares in issue on the Calculation Date;

**Net Asset Value per Ordinary Share** means, at any date, the Net Asset Value of the Ordinary Share Pool as at the Calculation Date divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) on the Calculation Date;

**Ordinary Share Pool** means the pool of assets and liabilities held by the Company attributable to the Ordinary Shares and which includes the net issue proceeds of any issue made by the Company of Ordinary Shares, all assets acquired using those net issue proceeds and any proceeds relating to those assets;

**Ordinary Shares** means the ordinary shares in the capital of the Company; and

**Pool** means a notional pool of assets and liabilities in the books and records of the Company as described in paragraph 6.21.3 created for and attributable to a class of shares.

6.21.2. *Rights attaching to C Shares*

- (a) The C Shares have attached to them the rights set out in this section and, save as stated in the Articles, have no further right of participation in the profits or assets of the Company.
- (b) At the Conversion Date, the C Shares shall be converted into new Ordinary Shares in accordance with the provisions of paragraph 6.21.4.
- (c) The holders of C Shares shall be entitled to receive in that capacity any dividends as the Directors may resolve to pay out of the assets attributable to the C Shares and from profits available for distribution which is attributable to the C Shares.
- (d) Save in connection with the issue of any Ordinary Shares pursuant to paragraph 6.21.4, no dividend or other distribution shall be made or paid by the Company on any of its shares between any Calculation Date and the relevant Conversion Date (both dates inclusive) and no such dividend shall be declared with a record date falling between any Calculation Date and the relevant Conversion Date (both dates inclusive).
- (e) Subject to paragraph 6.21.4, on a winding up or return of capital (otherwise than on a purchase or redemption by the Company of any C Shares), the holders of the C Shares shall be entitled to receive an amount per C Share equal to the lower of (i) the amount subscribed for the issue of each C Share and (ii) the Net Asset Value per C Share, but shall have no other rights to participate in the capital of the Company.
- (f) The C Shares shall carry the right to receive notice of and attend and vote any general meeting of the Company. The voting rights of holders of C Shares will be the same as that applying to holders of Existing Ordinary Shares as set out in the Articles as if the C Shares and the Existing Ordinary Shares were a single class.

6.21.3. *Assets attributable to C Shares and Ordinary Shares*

If at any time C Shares are in issue, the Directors shall establish for accounting purposes a single separate pool of assets and liabilities attributable to the C Shares and a single separate pool of assets and liabilities attributable to the Ordinary Shares (each, a **Pool**). The Directors shall maintain for accounting purposes all the assets, income, earnings, liabilities, expenses and costs of each Pool separate and separately identifiable from all other assets, income, earnings,

liabilities, expenses and costs of the Company and the other Pool and the following provisions shall apply thereto:

- (a) any consideration received on or proceeds from the allotment and issue of shares of a particular class shall be applied to the Pool which relates to such class of shares, and the assets, liabilities, income and expenditure attributable thereto shall be applied only to that Pool subject to the following sub-paragraphs;
- (b) on a redemption or repurchase of any shares of a particular class, the assets of the Pool which relates to such class of shares shall be reduced by an amount equal to the redemption or repurchase monies;
- (c) for each Pool, the Company shall keep separate books and records in which all transactions relating to that Pool shall be recorded;
- (d) any asset derived from any other asset or assets (whether cash or otherwise) comprised in any Pool shall be applied in the books and records of the Company to the same Pool as the asset or assets from which it was derived and any increase or diminution in the value of an asset comprised in a Pool shall be applied to that Pool;
- (e) in the event that there is any asset of the Company which the Directors do not consider readily attributable to a particular Pool, the Directors shall allocate such asset in such manner and on such basis as they in their discretion deem fair and equitable and the Directors shall have the power to, and may at any time and from time to time, vary such basis in respect of any asset not previously allocated;
- (f) the Directors shall have discretion to determine the basis upon which any liability shall be allocated between the Pools (including conditions as to subsequent allocations thereof if circumstances so permit or require) and shall have power at any time and from time to time to vary such basis;
- (g) subject as otherwise provided in the Articles, the assets held for each Pool shall be applied solely in respect of the class of shares of the Pool for which the relevant Pool was established and the Articles shall be construed accordingly;
- (h) notwithstanding the foregoing, if a Pool has insufficient funds or assets to meet the debts and liabilities attributable to such Pool, any such shortfall shall be paid out of the assets attributable to the other Pool; and
- (i) the Company shall give appropriate instructions to the AIFM and the Investment Adviser to manage the Company's assets so this paragraph 6.21.3 can be complied with.

#### 6.21.4. *Conversion of C Shares*

- (a) The Existing C Shares shall be converted into new Ordinary Shares on the relevant Conversion Date in accordance with the following provisions of this paragraph 6.21.4.
- (b) The Directors shall procure that as soon as reasonably practicable and not later than 2 months after the relevant Calculation Date:
  - (i) the Conversion Ratio as at the relevant Calculation Date and the numbers of new Ordinary Shares to which each holder of C Shares shall be entitled on Conversion shall be calculated; and
  - (ii) the Auditors shall confirm that such calculations as have been made by the Company have been performed in accordance with the Articles and any agreed upon procedures and are arithmetically accurate, whereupon such calculations shall become final and binding on the Company and all holders of shares and any other securities issued by the Company which are convertible into shares.

- (c) Further, the Directors will procure an independent valuation of the assets of each of the Ordinary Share Pool and the C Share Pool as at the relevant Calculation Date.
- (d) The Directors shall procure that, as soon as practicable following such confirmation and in any event within 2 months of the relevant Calculation Date, an RIS notice be published setting out the Conversion Date, the Conversion Ratio and the numbers of new Ordinary Shares to which such holder of C Shares shall be entitled on Conversion.
- (e) Subject to paragraph 6.21.4(f), on Conversion the relevant number of C Shares shall automatically convert into such number of Ordinary Shares as shall be necessary to ensure that upon such Conversion being completed the aggregate number of Ordinary Shares into which the same number of C Shares are converted equals the number of Existing C Shares at the relevant Calculation Date multiplied by the relevant Conversion Ratio (calculated to six decimal places and rounded up to the nearest whole Ordinary Share).
- (f) The new Ordinary Shares arising upon Conversion shall be divided amongst the holders of C Shares *pro rata* according to their respective former holdings of C Shares (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to new Ordinary Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any Ordinary Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company).
- (g) If the Conversion requires more Ordinary Shares to arise on Conversion than the number of Existing C Shares that are in issue, the Directors shall, subject to the terms of the Articles, the approval of an ordinary resolution of the Company and in accordance with applicable law (and notwithstanding Article 146 (*Capitalisation of Reserves*) of the Articles), issue fully paid up additional Ordinary Shares prior to the Conversion by way of capitalisation of the share premium account of the Company such that there are the requisite number of Ordinary Shares in issue to allow the Company to comply with this paragraph 6.21.4.
- (h) Forthwith upon Conversion, any share certificates relating to the C Shares shall be cancelled and the Company shall issue new certificates in respect of the Ordinary Shares which have arisen upon Conversion.
- (i) The Conversion shall be effected by way of conversion and re-designation of the relevant number of C Shares into the relevant number of new Ordinary Shares and the Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider fair and reasonable having regard to the interests of all shareholders.
- (j) The new Ordinary Shares into which any C Shares shall convert shall rank *pari passu* with the Existing Ordinary Shares then in issue for any dividends or distributions declared on the Ordinary Shares by reference to a record date falling after the Conversion Date.
- (k) Upon completion of a Conversion, the assets, liabilities, income and expenditure attributable to the C Shares in accordance with paragraph 6.21.3 shall be allocated to the Ordinary Shares.
- (l) The rights of any C Shares which remain in issue following Conversion shall, with effect from the Conversion Date, be amended so that on a return of assets on a winding up or otherwise, they entitle the holder only to payment of one penny in respect of his entire holding of such C Shares and shall entitle the holder to the payment of a fixed cumulative preferential dividend of 0.000000001 pence per C Share payable annually but no other right to share in the profits of the Company. The holders of such C Shares shall not be entitled to receive notice of or attend or vote at any general meeting of the Company. With effect from the relevant Conversion, each holder of C Shares grants an irrevocable authority on the Company at any time thereafter to appoint any person to

execute on behalf of the holders of such C Shares a transfer thereof (and/or an agreement to transfer the same) to such person(s) as the Company may determine as custodian thereof and/or to redeem the same itself (in accordance with the provisions of the Companies Act), in any such case for one penny for all such C Shares held by any member without obtaining any further sanction of the holder or holders thereof and pending such transfer and/or redemption to retain the certificate for such C Shares. Subject to the Companies Act, the Company shall on the relevant Conversion (or as soon as practicable thereafter) redeem all of the relevant C Shares then in issue, at a price of one penny in aggregate for all such C Shares held by any member and redeemed at any one time and the notice referred to in paragraph 6.21.4(a) shall be deemed to constitute notice to each holder of C Shares (and any person or persons having rights to acquire or acquiring C Shares on or after the Calculation Date) that the C Shares shall be so redeemed (and the Company shall not be obliged to account to any holder of C Shares for the redemption arising in respect of such C Shares).

- (m) For the avoidance of doubt, no act undertaken by the Company in accordance with paragraph 6.21.4 shall amount to the variation, alteration or abrogation of the rights attaching to any class of share in the Company.

#### 6.21.5. *Acquisition and disposal of C Shares*

C Shares are subject to the following notification obligations set out in the Articles: if the shareholding of any C Shareholder reaches, exceeds or falls below certain thresholds (3, 4, 5, 6, 7, 8, 9, 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent. of the total number of C Shares in issue) as a result of an acquisition or disposal of C Shares, the C Shareholder must notify the Company of the percentage of outstanding C Shares in issue it holds (or is deemed to hold through their direct or indirect holding of such C Shares).

## 6.22 **Discontinuation and continuation votes**

In the event that the Company's Net Asset Value is not equal to or greater than £250 million on the third anniversary of Initial Admission, the Directors will propose a special resolution that the Company shall cease to continue as presently constituted (a Discontinuation Resolution) at the annual general meeting of the Company held following the third anniversary of Initial Admission. In addition, and subject to a prior Discontinuation Resolution not having been proposed and passed, the Directors will propose an ordinary resolution at the annual general meeting to be held following the sixth anniversary of Initial Admission and at every third annual general meeting thereafter that the Company should continue as presently constituted (a Continuation Resolution). In the event that a Discontinuation Resolution is passed or a Continuation Resolution is not passed, the Directors will be required to formulate proposals for the voluntary liquidation, unitisation, reorganisation or reconstruction of the Company for consideration by Shareholders at a general meeting to be convened by the Board for a date not more than six months after the date of the annual general meeting at which such Discontinuation Resolution or Continuation Resolution was proposed.

## 7 **UK CITY CODE ON TAKEOVERS AND MERGERS**

### 7.1 ***Mandatory bid***

The Takeover Code applies to the Company.

Given the existence of the buyback powers described in this Prospectus, there are certain considerations that Shareholders should be aware of with regard to the Takeover Code.

Under Rule 9 of the Takeover Code, any person who acquires shares which, taken together with shares already held by him or shares held or acquired by persons acting in concert with him, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares. Similarly, when any person or persons acting in concert already hold more than 30 per cent. but

not more than 50 per cent. of the voting rights of such company, a general offer will normally be required if any further shares increasing that person's percentage of voting rights are acquired.

Under Rule 37 of the Takeover Code when a company purchases its own voting shares, a resulting increase in the percentage of voting rights carried by the shareholdings of any person or group of persons acting in concert will be treated as an acquisition for the purposes of Rule 9 of the Takeover Code. A shareholder who is neither a Director nor acting in concert with a Director will not normally incur an obligation to make an offer under Rule 9 of the Takeover Code in these circumstances.

However, under note 2 to Rule 37 of the Takeover Code where a shareholder has acquired shares at a time when he had reason to believe that a purchase by the company of its own voting shares would take place, then an obligation to make a mandatory bid under Rule 9 of the Takeover Code may arise.

The buyback powers could have implications under Rule 9 of the Takeover Code for Shareholders with significant shareholdings. The buyback powers should enable the Company to anticipate the possibility of such a situation arising. Prior to the Board implementing any share buyback the Board will seek to identify any Shareholders who they are aware may be deemed to be acting in concert under note 1 of Rule 37 of the Takeover Code and will seek an appropriate waiver in accordance with note 3 of Rule 37. However, neither the Company, nor any of the Directors, nor the Investment Adviser will incur any liability to any Shareholder(s) if they fail to identify the possibility of a mandatory offer arising or, if having identified such a possibility, they fail to notify the relevant Shareholder(s) or if the relevant Shareholder(s) fail(s) to take appropriate action.

If an offer is made for the shares or any class of shares in the capital of a company and if, within 4 months after the date of such offer, the offer is approved by shareholders comprising 90 per cent. in value of the shares affected (excluding any shares held as treasury shares) then the offeror may, within 2 months after the expiration of those 4 months, send an acquisition notice to any dissenting shareholders informing them that it wishes to acquire their shares (an **Acquisition Notice**). Where an Acquisition Notice is given, the offeror is then entitled and bound to acquire those shares on the terms on which the original offer, approved by the shareholders comprising 90 per cent. in value of the shares affected, was made.

## **8 MATERIAL CONTRACTS OF THE COMPANY**

The following are all of the contracts, not being contracts entered into in the ordinary course of business that have been entered into by the Company since incorporation and are, or may be, material or contain any provision under which the Company has any obligation or entitlement which is or may be material to it as at the date of this Prospectus:

### **8.1 Placing Agreement**

The Placing Agreement dated 1 November 2021 between the Company, the Investment Adviser, the Directors, Alvarium Securities and the Sponsor, pursuant to which Alvarium Securities has undertaken, as agent for the Company, to use its reasonable endeavours to procure subscribers for Ordinary Shares under the Initial Placing and for Ordinary Shares and/or C Shares under the Placing Programme at the applicable Issue Price.

In the event of oversubscription of the Initial Issue, applications under the Initial Placing, Offer for Subscription and/or the Intermediaries Offer will be scaled back at the discretion of Alvarium Securities (in consultation with the Company and the Sponsor).

The Placing Agreement is subject to, *inter alia*, the Ordinary Shares to be issued pursuant to the Initial Issue being admitted to the premium segment of the Official List and to trading on the premium segment of the London Stock Exchange's main market by 23 November 2021 (or such later date and time as the Company, the Investment Adviser, Alvarium Securities and the Sponsor may agree but not later than 8.00 a.m. on 31 January 2022).



Conditional upon completion of the Initial Issue and each Subsequent Placing, Alvarium Securities will be paid a commission by the Company in consideration for its services in relation to the Initial Issue or the relevant Subsequent Placing, as applicable.

Under the Placing Agreement, which may be terminated by Alvarium Securities in certain circumstances prior to Initial Admission and any Subsequent Admission, the Company and the Investment Adviser have given certain warranties and indemnities to Alvarium Securities and the Directors have given certain warranties to Alvarium Securities. These warranties and indemnities are customary for an agreement of this nature.

Under the Placing Agreement, Alvarium Securities may at its discretion and out of its own resources at any time rebate to some or all investors, or to other parties, part or all of its fees relating to the Initial Issue and any Subsequent Placing. Alvarium Securities is also entitled under the Placing Agreement to retain agents and may pay commission in respect of the Initial Issue and any Subsequent Placing to any or all of those agents out of its own resources.

The Placing Agreement is governed by English law.

## 8.2 ***AIFM Agreement***

The AIFM Agreement dated 1 November 2021 between the Company and the AIFM, pursuant to which JTC Global AIFM Solutions Limited was appointed as the alternative investment fund manager to the Company, as defined in the UK AIFMD Laws and the EU AIFM Directive and the AIFM Regulations.

Pursuant to the AIFM Agreement, the AIFM is entitled to receive a fee which shall be calculated on such basis and in such amount as agreed in writing from time to time between the AIFM and the Company.

The AIFM Agreement shall continue in force for an initial term of 12 months from the date of Initial Admission and, thereafter, shall be terminable by either the AIFM or the Company giving to the other not less than 6 months' written notice. If the AIFM Agreement is terminated prior to the second anniversary of Initial Admission, the AIFM will receive an additional termination fee of £5,000.

The AIFM Agreement may be terminated earlier by either party with immediate effect in certain circumstances, including if the other party shall go into liquidation or an order shall be made or a resolution shall be passed to put the other party into liquidation, or if the other party has committed a material breach of any obligation under the AIFM Agreement, and in the case of a breach which is capable of remedy fails to remedy it within 30 days.

The Company has given certain market standard indemnities in favour of the AIFM in respect of the AIFM's potential losses in carrying on its responsibilities under the AIFM Agreement. The maximum aggregate liability of the AIFM under the AIFM Agreement is the lesser of £5 million or an amount equal to ten times the annual fee payable to the AIFM.

The AIFM Agreement is governed by the laws of Guernsey.

## 8.3 ***Investment Advisory Agreement***

The Investment Advisory Agreement dated 1 November 2021 between the Company, Holdco, the AIFM and the Investment Adviser pursuant to which the Investment Adviser is appointed to provide certain services to the Company, Holdco and the AIFM in relation to the Company and its portfolio (the Company and the Investment Adviser being the **Primary Parties**). In addition, the Investment Adviser will provide certain administrative services under the Investment Advisory Agreement, including the calculation of the Company's Net Asset Value and the NAV per Share and preparation of the Company's financial statements.

The Investment Advisory Agreement shall continue in force for an initial period of five years from the date of the Initial Admission (the **Initial Term**). Following the expiry of the Initial Term, the

Investment Advisory Agreement will continue in full force and effect unless and until terminated by either of the Primary Parties on not less than 12 months' written notice to the other Primary Party and the AIFM. The Investment Advisory Agreement may be immediately terminated by either of the Primary Parties in certain circumstances, such as insolvency of the other Primary Party or material breach by the other Primary Party which is not remedied.

The Investment Advisory Agreement shall terminate six months after the Primary Parties agree that individuals providing the relevant services under the Investment Advisory Agreement are to become an internal resource of the Company (an **Internalisation**). On an Internalisation, the Investment Adviser will not be entitled to any additional termination fee.

In consideration for its services, the Investment Adviser is entitled to the fees described under the heading "*Ongoing annual expenses*" in Part 3 (*Directors, Management and Administration*) of this Prospectus.

In the event that a Third Party Offer becomes unconditional and, as a result, the right to cast a majority of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in a third party offeror (and/or any persons acting in concert with it) and, following such Third Party Offer becoming unconditional, notice to terminate the Investment Advisory Agreement is given by the Company, in addition to the fees described in Part 3 (*Directors, Management and Administration*) of this Prospectus, the Investment Adviser shall be entitled to receive a fee (the **Change of Control Fee**) equal to the lower of:

- an amount equal to two years of Monthly Management Fees and Semi-Annual Management Fees (in each case by reference to the Adjusted NAV had it been calculated by reference to the NAV as at the date of the last Monthly Management Fee and Semi-Annual Management Fee paid by the Company prior to the termination of the Investment Advisory Agreement); and
- the amount (if any) by which the total Third Party Offer price for the Shares which are the subject of the Third Party Offer exceeds an amount equal to 108 per cent. of the NAV for such Shares on the date the Third Party Offer is announced.

Payment of the Change of Control Fee shall be conditional on the annualised NAV Total Return per Share for the 3 years prior to the announcement of the Third Party Offer or, if the Third Party Offer is announced prior to the third anniversary of Initial Admission, the annualised NAV Total Return per Share for such shorter period, exceeding 8 per cent. An equivalent provision for payment of a Change of Control Fee exists where the Company disposes of all or substantially all of the Clean Energy Assets (other than in an orderly winding up or on the advice of the Investment Adviser) and returns the proceeds of such disposal to Shareholders to the extent that the Company's NAV is consequently reduced to less than £200 million.

The Company has also agreed to indemnify the Investment Adviser for losses that the Investment Adviser may incur in the performance of its duties pursuant to the Investment Advisory Agreement or otherwise in connection with the Company's activities that are not attributable to, among other things, a material breach of the Investment Advisory Agreement by, or the negligence, fraud, or wilful misconduct of, the Investment Adviser (in each case as finally determined in a decision on the merits in any action, suit or proceeding, or on a formal admission).

The Investment Adviser's maximum liability under the Investment Advisory Agreement is limited to £10 million. The Primary Parties agree that this amount ought to be increased if the Company's net assets grow above £1 billion. The Primary Parties will seek to agree such increases when appropriate.

The Investment Advisory Agreement is governed by English law.

#### 8.4 ***Company Secretarial Services Agreement***

The Company Secretarial Services dated 1 November 2021 between the Company and Throgmorton pursuant to which the Company appoints Throgmorton to perform certain company secretarial services to the Company and its subsidiaries.

The Company Secretarial Services Agreement may be terminated on not less than 6 months' prior written notice by either party, or immediately in the case of certain specified circumstances, including material and continuing breach or insolvency.

The Company Secretarial Services Agreement contains certain customary undertakings and indemnities by the Company in favour of the Company Secretary.

Under the terms of the Company Secretarial Services Agreement, Throgmorton is entitled to receive a company secretarial fee of £70,000 per annum for the provision of certain company secretarial services to the Company.

Throgmorton is entitled to additional fees for providing company secretarial services to any SPVs and for providing any additional services to the Company which are outside the scope of the company secretarial services covered by the company secretarial fees referred to above.

The Company Secretarial Services Agreement is governed by English law.

#### 8.5 ***Registrar Agreement***

The Registrar Agreement dated on or around 1 November 2021 between the Company and the Registrar pursuant to which the Company appoints the Registrar as registrar to the Company.

The Registrar Agreement is for an initial period of 3 years from the date of Initial Admission and thereafter shall automatically renew for successive periods of twelve months unless and until terminated by either party on not less than 6 months' notice. The agreement is also subject to immediate termination on the occurrence of certain events, including material and continuing breach or insolvency.

The Registrar Agreement contains certain customary undertakings and indemnities by the Company in favour of the Registrar.

Under the terms of the Registrar Agreement, the Registrar is entitled to customary fees. The Registrar Agreement is governed by English law.

#### 8.6 ***Receiving Agent Agreement***

The Receiving Agent Agreement dated 1 November 2021 between the Company and the Receiving Agent, pursuant to which the Receiving Agent has agreed to provide receiving agent duties and services to the Company in respect of the Initial Issue.

The Receiving Agent Agreement contains certain customary undertakings and indemnities by the Company in favour of the Receiving Agent.

Under the terms of the Receiving Agent Agreement, the Receiving Agent is entitled to customary fees.

The Receiving Agent Agreement is governed by English law.

#### 8.7 ***Introductory Services Engagement Letter***

The Introductory Services Engagement Letter dated 1 November 2021 between the Company and the Investment Adviser pursuant to which the Investment Adviser agrees to use reasonable endeavours, as a non-exclusive independent marketer, to introduce to the Company those

prospective investors which the Company and the Investment Adviser have agreed in writing that it may approach.

The Investment Adviser will either be paid a fixed fee for arranging meetings or a commission of one per cent. of the aggregate subscription price for Shares for which prospective investors introduced by the Investment Adviser subscribe (or such other commission as may be agreed between the Company and the Investment Adviser in writing).

Any payment to the Investment Adviser under the Introductory Services Engagement Letter shall not, when aggregated with any other transaction or arrangement entered into by the Investment Adviser or any of its associates (as defined in the Listing Rules) with the Company or any of its subsidiaries in the 12 month period before the date of such payment, exceed 4.99 per cent. on any of the class tests set out in Annex 1 to Chapter 10 of the Listing Rules.

The Introductory Services Engagement Letter contains customary indemnities in favour of the Company.

The Introductory Services Engagement Letter is governed by English law.

## **9 RELATED PARTY TRANSACTIONS**

Save for the entry into of the Directors' appointment letters, the AIFM Agreement, the Investment Advisory Agreement and the Introductory Services Engagement Letter, the Company has not entered into any transactions which, following Initial Admission, would be considered to be a related party transaction at any time during the period from incorporation to the date of this Prospectus.

## **10 LITIGATION**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the Company and/or the Group's financial position or profitability.

## **11 WORKING CAPITAL**

The Company is of the opinion that, taking into account the Minimum Net Proceeds, the working capital available to the Group is sufficient for the Group's present requirements, that is for at least 12 months from the date of this Prospectus.

If the Minimum Net Proceeds are not raised, the Initial Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA.

## **12 NO SIGNIFICANT CHANGE**

There has been no significant change in the financial position of the Group since 16 September 2021, being the date of the Company's incorporation.

## **13 CAPITALISATION AND INDEBTEDNESS**

As at the date of this Prospectus, the Group has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness and there have been no material changes to the Group's capitalisation from the date of incorporation to the date of this Prospectus.

## 14 INVESTMENT RESTRICTIONS

For so long as they remain requirements of the Financial Conduct Authority:

- (a) neither the Company nor any of its subsidiaries will conduct any trading activity which is significant in the context of the Company's group as a whole;
- (b) the Company will, at all times, invest and manage its assets in a way which is consistent with its objective of spreading investment risk and in accordance with the published investment policy as set out in Part 1 of this Prospectus; and
- (c) not more than 10 per cent. of the Gross Asset Value at the time of investment is made will be invested in other closed-ended investment funds which are listed on the Official List.

## 15 GENERAL

- 15.1 No Director has any interest in the promotion of, or in any property acquired or proposed to be acquired by, the Company.
- 15.2 The Ordinary Shares being issued in connection with the Initial Issue are being issued at 100 pence per Ordinary Share of which 99 pence per Ordinary Share constitutes share premium.
- 15.3 No application is being made for the Ordinary Shares to be issued pursuant to the Initial Issue and the Placing Programme to be dealt with in or on any stock exchange or investment exchange other than the premium segment of the Main Market of the London Stock Exchange.
- 15.4 Alvarium Securities is acting a placing agent to the Initial Placing and the Placing Programme and as intermediaries offer adviser in relation to the Intermediaries Offer and has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear.
- 15.5 The AIFM has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear.
- 15.6 The Sponsor has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear
- 15.7 The Investment Adviser has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which such references appear. The Investment Adviser has given and not withdrawn its (a) written consent to the inclusion in this Prospectus of the information and opinions contained in and (b) authorisation of the content of this Prospectus contained in: (i) the "Risk Factors" - sections A to F (inclusive); (ii) Important Information - "Target Market Assessment"; (iii) Part 1 (*The Company*) - sections 1 to 9 (inclusive) and section 18; (iv) Part 2 (*Market Background, Investment Opportunity, Investment Approach and Pipeline*); (v) Part 3 (*Directors, Management and Administration*) - section 3 "Investment Adviser", section 6(b) "Fees and Expenses, Investment Adviser" and section 7 "Conflicts of Interest" as it relates to the Investment Adviser; and (vi) Part 4 (*ESG and Sustainability*) of this Prospectus, together with those sections of the Summary as they relate to the aforementioned content (the **Investment Adviser Sections**) and the references to it in the form and context in which they appear.
- 15.8 The Investment Adviser has authorised and accepts responsibility, in accordance with Prospectus Regulation Rule 5.3.2(2)(f), for the information and opinions contained in the Investment Adviser Sections. To the best of the knowledge of the Investment Adviser, the information contained in the Investment Adviser Sections is in accordance with the facts and the Investment Adviser Sections make no omission likely to affect their import.
- 15.9 Where third party information has been referenced in this Prospectus, the source of that third party information has been disclosed. All information in this Prospectus that has been sourced from third parties has been accurately reproduced and, as far as the Company is aware and able

to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

- 15.10 Shareholders are obliged to comply, from Initial Admission, with the shareholding notification and disclosure requirements set out in Chapter 5 of the Disclosure Guidance and Transparency Rules. A Shareholder is required pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules to notify the Company if, as a result of an acquisition or disposal of shares or financial instruments, the Shareholder's percentage of voting rights of the Company reaches, exceeds or falls below, three per cent. of the Company's voting rights or any one per cent. threshold above that.

## **16 AUDITOR**

The auditor is BDO LLP. BDP LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

## **17 INTERMEDIARIES**

Information with respect to intermediaries appointed after the date of this Prospectus will be made available on the Company's website at [www.atratoroof.com](http://www.atratoroof.com)

## **18 DOCUMENTS AVAILABLE FOR INSPECTION**

- 18.1 The following documents will be available for inspection at the Company's website ([www.atratoroof.com](http://www.atratoroof.com)) from the date of this Prospectus until the Final Closing Date:
- (a) this Prospectus; and
  - (b) the Company's memorandum of association and the Articles.
- 18.2 A copy of this Prospectus has been submitted to the National Storage Mechanism and is available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

Dated 1 November 2021

## Part 9

### Notices to Overseas Investors

No application to market the Issue Shares has been made by the Company under the relevant private placement regimes in any member state of the EEA. No marketing of Issue Shares in any member state of the EEA will be undertaken by the Company save to the extent that such marketing is permitted by the EU AIFM Directive as implemented in the Member State of the EEA (each a **Relevant Member State**).

If you receive a copy of the Prospectus in any territory other than the United Kingdom, Guernsey, Jersey, the Isle of Man (together, the **Eligible Jurisdictions**) you may not treat it as constituting an invitation or offer to you. It is your responsibility, if you are outside the Eligible Jurisdictions and wishing to make an application for Ordinary Shares under the Initial Issue or any New Shares under the Placing Programme to satisfy yourself that you have fully observed the laws of any relevant territory or jurisdiction in connection with your application, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory. The Company reserves the right, in its absolute discretion, to reject any application received from outside the Eligible Jurisdictions.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Prospectus and the offering of Issue Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this Prospectus is received are required to inform themselves about and to observe such restrictions.

None of the Issue Shares have been or will be registered under the laws of Australia, Canada, Japan or the Republic of South Africa. Accordingly, unless an exemption under applicable law is available, the Issue Shares may not be offered, sold or delivered, directly or indirectly, within Australia, Canada, Japan or the Republic of South Africa (as the case may be). If you subscribe for Issue Shares you will, unless the Company agrees otherwise in writing, be deemed to represent and warrant to the Company that you are not a resident of Australia, Canada, Japan or the Republic of South Africa or a corporation, partnership or other entity organised under the laws of Australia, Canada, Japan or the Republic of South Africa (or any political subdivision of any of them) and that you are not subscribing for such Issue Shares for the account of any resident of Australia, Canada, Japan or the Republic of South Africa and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the Issue Shares in or into Australia, Canada, Japan or the Republic of South Africa or to any resident in Australia, Canada, Japan or the Republic of South Africa. Save where an applicant has satisfied the Company or its agents that an appropriate exemption applies so as to permit the applicant to subscribe under the relevant terms and conditions of application no application will be accepted if it shows the applicant, payor or a prospective holder having an address in Australia, Canada, Japan or the Republic of South Africa.

Without the express consent of the Company, this Prospectus may not be published, distributed or transmitted by any means or media, directly or indirectly, in whole or in part, in or into the United States, Australia, Canada, Japan or the Republic of South Africa.

Any persons (including, without limitation, custodians, nominees and trustees) who would otherwise intend to, or may have a contractual or other legal obligation to forward this Prospectus or any accompanying documents in or into the United States, Australia, Canada, Japan, the Republic of South Africa or any other jurisdiction outside the Eligible Jurisdictions should seek appropriate advice before taking any action.

#### **Notice to prospective investors in the EEA**

In relation to each EEA Member State, no Issue Shares have been offered or will be offered pursuant to the Initial Issue or the Placing Programme to the public in that EEA Member State prior to the publication of a prospectus in relation to the Issue Shares which has been approved by the competent authority in that EEA Member State, or, where appropriate, approved in another EEA Member State and notified to the competent authority in that EEA Member State, all in accordance with the EU Prospectus

Regulation, except that offers of Issue Shares to the public may be made at any time with the prior consent of Alvarium Securities, under the following exemptions under the EU Prospectus Regulation, if they are effective in that EEA Member State:

- (a) to any legal entity which is a qualified investor as defined in Article 2(e) of the EU Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) in such EEA Member State; or
- (c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation with the prior consent of Alvarium Securities,

provided that no such offer of Issue Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3(l) of the EU Prospectus Regulation in an EEA Member State.

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

Notwithstanding any other statement in this Prospectus, this Prospectus should not be made available to any investor domiciled in any EEA Member State. Prospective investors domiciled in the EEA that have received the Prospectus in any EEA Member States should not subscribe for Issue Shares (and the Company reserves the right to reject any application so made, without explanation) unless: (i) the Company has confirmed that it has made the relevant notification or applications in that EEA Member State and is lawfully able to market Issue Shares into that EEA Member State; or (ii) such investors have received this Prospectus on the basis of an enquiry made at the investor's own initiative.

#### **For the attention of Guernsey investors**

The Initial Issue and Placing Programme are available, and are and may be made, and are being provided in or from within the Bailiwick of Guernsey only:

- (a) by persons licensed to do so (or permitted by way of exemption granted) by the GFSC under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended (**POI Law**); or
- (b) to persons licensed under the POI Law, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 by non-Guernsey bodies who: (i) carry on such promotion in a manner in which they are permitted to carry on promotion in or from within, and under the law of certain designated countries or territories which, in the opinion of the GFSC, afford adequate protection to investors; and (ii) meet the criteria specified in section 29(1)(cc) of the POI Law; or
- (c) as otherwise permitted by the GFSC.

Neither the GFSC nor the States of Guernsey take any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

#### **For the attention of Jersey investors**

The Company has no "relevant connection" with Jersey and the offering of the Issue Shares is valid in the United Kingdom and is, *mutatis mutandis*, circulated in Jersey only to persons similar to those to whom, and in a manner similar to that in which, it is for the time being being circulated in the United Kingdom for the purposes of Article 8 of the Control of Borrowing (Jersey) Order 1958 (the **Jersey COBO**). Accordingly, the consent of the Jersey Financial Services Commission under Article 8(2) of the Jersey COBO to the circulation of the Prospectus in Jersey is not required and has not been obtained.



**For the attention of Isle of Man investors**

This Prospectus has not been, and is not required to be, filed or lodged with any regulatory or other authority in the Isle of Man. The Company is not subject to any regulatory approval in the Isle of Man. Investors in the Company are not protected by any statutory compensation arrangements in the event of the Company's failure and the Isle of Man Financial Services Authority does not vouch for the financial soundness of the Company or for the correctness of any statements made or opinions expressed with regard to it.

**For the attention of US investors**

The Issue Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, in or into the United States or to or for the account or benefit of any US Person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. In addition, the Company has not been, and will not be, registered under the US Investment Company Act nor will the Investment Adviser be registered as an investment adviser under the US Investment Advisers Act and investors will not be entitled to the benefits of the US Investment Company Act or the US Advisers Act. Accordingly, the Issue Shares are being offered and sold (i) outside the United States in reliance on the exemption from the registration requirements of the US Securities Act provided by Regulation S and (ii) to persons located inside the United States or to US Persons that are "qualified institutional buyers" (as the term is defined in Rule 144A under the US Securities Act) that are also "qualified purchasers" within the meaning of section 2(A)(51) of the US Investment Company Act in reliance on an exemption from registration provided by section 4(A)(2) under the US Securities Act and that have signed a US investor letter in form satisfactory to the Company. The Company reserves the right, in its absolute discretion, to refuse to permit a transfer of interests in the Company and to require compulsory transfer of interests in the Company and intends to exercise this discretion as the Company determines to be necessary for the purposes of compliance with the US Securities Act, the US Investment Company Act and other US legislation.

Subject to such limited exceptions as may be determined within its sole discretion, the Company does not intend to permit Issue Shares to be acquired by investors subject to Title I of ERISA, or to the prohibited transaction provisions of Section 4975 of the Internal Revenue Code, or by others holding the assets of such investors as defined in Section 3(42) of ERISA and applicable regulations.

The Issue Shares have not been approved or disapproved by the US Securities and Exchange Commission or any state securities commission, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful.

Prospective US investors must rely on their own examination of the US tax consequences of an investment in the Company. Prospective US investors should not treat the contents of this Prospectus as advice relating to US tax matters and are advised to consult their own professional US tax advisers concerning the acquisition, holding or disposal of any investment in the Company.

## Part 10

### Terms and Conditions of the Initial Placing and each Subsequent Placing

#### 1 INTRODUCTION

- 1.1 Ordinary Shares are available under the Initial Placing at the Initial Issue Price (being 100 pence per Ordinary Share) and Ordinary Shares and/or C Shares will be available under the Placing Programme at the applicable Placing Programme Price. Participation in the Initial Placing or any Subsequent Placing is only available to persons who are invited to participate by Alvarium Securities.
- 1.2 Each Placee which confirms its agreement to Alvarium Securities to subscribe for Issue Shares under the Initial Placing and/or a Subsequent Placing under the Placing Programme will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.3 The Company and/or Alvarium Securities may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as they (in their absolute discretion) see fit.
- 1.4 The commitment to acquire Issue Shares under the Initial Placing and/or a Subsequent Placing will be agreed orally with Alvarium Securities as agent for the Company and further evidenced in a contract note (**Contract Note**) or placing confirmation (**Placing Confirmation**).

#### 2 AGREEMENT TO SUBSCRIBE FOR ISSUE SHARES AND CONDITIONS

- 2.1 A Placee agrees to become a member of the Company and agrees to subscribe for those Issue Shares allocated to it by Alvarium Securities at the applicable Issue Price, conditional on:
  - (a) the Placing Agreement becoming unconditional in respect of the Initial Placing or the relevant Subsequent Placing, as the case may be, (save for any condition relating to the relevant Admission) and not having been terminated on or before the date of Admission of the relevant Issue Shares being issued;
  - (b) in the case of the Initial Issue, the Minimum Net Proceeds being raised;
  - (c) Admission of the relevant Issue Shares being issued occurring and becoming effective, in the case of Initial Admission by no later than 8.00 a.m. (London time) on 23 November 2021 (or such later date as the Company, the Investment Adviser, Alvarium Securities and the Sponsor may agree and, in any event, no later than 31 January 2022), and in the case of any Subsequent Admission by no later than such dates as may be agreed between the Company, the Investment Adviser, Alvarium Securities and the Sponsor in relation to each Subsequent Placing, not being later than the Final Closing Date;
  - (d) in the case of any Subsequent Placing, a valid supplementary prospectus being published by the Company if such is required; and
  - (e) in the case of any Subsequent Placing, the applicable Placing Programme Price being determined by the Directors.
- 2.2 In the event that the Company, in consultation with Alvarium Securities, the Sponsor and the Investment Adviser, wishes to waive the condition referred to in paragraph 2.1(b) above, the Company will be required to publish a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure).
- 2.3 If any of the conditions set out in the Placing Agreement is not fulfilled or, where permitted, waived to the extent permitted by law or regulation in accordance with the Placing Agreement, or the Placing Agreement is terminated in accordance with its terms, the Initial Placing or the relevant Subsequent Placing, as applicable, will lapse and each Placee agrees that no claim can be made

by or on behalf of the Placee (or any person on whose behalf the Placee is acting) in respect thereof.

- 2.4 To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

### **3 PAYMENT FOR ISSUE SHARES**

- 3.1 Each Placee must pay the applicable Issue Price for the Issue Shares issued to the Placee in the manner and by the time directed by Alvarium Securities. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for Issue Shares may, at the discretion of Alvarium Securities, either be rejected or accepted and, in the latter case, paragraph 3.2 of these terms and conditions shall apply.
- 3.2 Each Placee is deemed to agree that if it does not comply with its obligation to pay the applicable Issue Price for the Issue Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and Alvarium Securities elects to accept that Placee's application, Alvarium Securities may sell all or any of the Issue Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for Alvarium Securities' own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such Issue Shares on such Placee's behalf.

### **4 REPRESENTATIONS AND WARRANTIES**

- 4.1 By agreeing to subscribe for Issue Shares, each Placee which enters into a commitment to subscribe for Issue Shares will (for itself and any person(s) procured by it to subscribe for Issue Shares and any nominee(s) for any such person(s)) be deemed to represent, warrant, undertake, agree and acknowledge to each of the Company, Alvarium Securities, the Sponsor, the Investment Adviser, the AIFM and the Registrar that:
- (a) in agreeing to subscribe for Issue Shares under the Initial Placing and/or under a Subsequent Placing, it is relying solely on this Prospectus and any supplementary prospectus published by the Company prior to Admission of the relevant Issue Shares and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the Initial Placing and/or any Subsequent Placing. It agrees that none of the Company, Alvarium Securities, the Sponsor, the Investment Adviser, the AIFM and the Registrar, nor any of their respective officers, agents, or employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
  - (b) if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Issue Shares under the Initial Placing and/or under a Subsequent Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company, Alvarium Securities, the Sponsor, the Investment Adviser, the AIFM or the Registrar or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Initial Placing or the relevant Subsequent Placing;
  - (c) it has carefully read and understands this Prospectus in its entirety and acknowledges that it is acquiring Issue Shares on the terms and subject to the conditions set out in this Part 10 (*Terms and Conditions of the Initial Placing and each Subsequent Placing*) of this

Prospectus and the Articles as in force at the date of the relevant Admission of the relevant Issue Shares;

- (d) it makes the representations, warranties, undertakings, agreements and acknowledgements set out in this Prospectus, including (unless otherwise expressly agreed with the Company and Alvarium Securities) those set out in the paragraph entitled "*Representations, Warranties and Undertakings*" in Part 5 (*The Initial Issue*) or Part 6 (*The Placing Programme*), as applicable, of this Prospectus;
- (e) either:
  - (i) it is not a US Person, is not located within the United States, is acquiring the Issue Shares in an "offshore transaction" as defined in and meeting the requirements of Regulation S and is not acquiring the Issue Shares for the account or benefit of a US Person; or
  - (ii) it is a "qualified institutional buyer" (as the term is defined in Rule 144A under the US Securities Act) that is also a "qualified purchaser" within the meaning of Section 2(a)(51) of the US Investment Company Act, and the related rules thereunder and is acquiring the Issue Shares for its own account or for the account of one or more "qualified institutional buyers" that are also "qualified purchasers" for which it is acting as a duly authorised agent or for a discretionary account with respect to which it exercises sole investment discretion and not with a view to any resale, distribution or other disposition of any such securities in violation of any US federal or state securities laws and it has signed a US investor letter in a form satisfactory to the Company;
- (f) the content of this Prospectus is exclusively the responsibility of the Company and its Directors (and in respect of certain sections of this Prospectus, the Investment Adviser) and apart from the liabilities and responsibilities (if any) which may be imposed on Alvarium Securities by FSMA or the regulatory regime established thereunder, neither Alvarium Securities, any person acting on its behalf, nor any of their Affiliates are responsible for or shall have any liability for any information, representation or statement contained in this Prospectus, any such supplementary prospectus or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Initial Placing or any Subsequent Placing based on any information, representation or statement contained in this Prospectus, such supplementary prospectus or otherwise;
- (g) it acknowledges that no person is authorised in connection with the Initial Placing or any Subsequent Placing to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus issued by the Company prior to Admission of the relevant Issue Shares and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, Alvarium Securities, the Sponsor, the Investment Adviser or the AIFM;
- (h) it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services);
- (i) if it is within the United Kingdom, it is a person who falls within Articles 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or it is a person to whom the Issue Shares may otherwise lawfully be offered under such Order and/or is a person who is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, it is a person to whom the Issue Shares may be lawfully offered under that other jurisdiction's laws and regulations;

- (j) if it is a resident in an EEA Member State: (i) it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation; and (ii) if that EEA Member State has implemented the EU AIFM Directive, that it is a person to whom the Issue Shares may lawfully be marketed under the EU AIFM Directive or under the applicable implementing legislation (if any) of that EEA Member State;
- (k) in the case of any Issue Shares acquired by a Placee as a financial intermediary within the EEA as that term is used in the EU Prospectus Regulation or within the United Kingdom as that term is used in the UK Prospectus Regulation: (i) the Issue Shares acquired by it in the Initial Placing or any Subsequent Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any EEA Member State or the United Kingdom other than qualified investors (as that term is defined in the EU Prospectus Regulation or the UK Prospectus Regulation (as applicable)) and where marketing is permitted under EU AIFM Directive, or in circumstances in which the prior consent of Alvarium Securities has been given to the offer or resale; or (ii) where Issue Shares have been acquired by it on behalf of persons in any EEA Member State or the United Kingdom other than qualified investors and where marketing is permitted under the UK AIFMD Laws, the offer of those Issue Shares to it is not treated under the EU Prospectus Regulation or the UK Prospectus Regulation (as applicable) as having been made to such persons;
- (l) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the relevant Issue Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and acknowledges and agrees that no document is being issued by Alvarium RE Limited in connection with the Initial Issue and/or the Placing Programme in its capacity as an authorised person under section 21 of FSMA and it may not therefore be subject to the controls which would apply if they were made or approved as a financial promotion by an authorised person;
- (m) it is aware of and acknowledges that it is required to comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Issue Shares, from or otherwise involving, the United Kingdom;
- (n) it is aware of the provisions regarding insider dealing in the United Kingdom under the Criminal Justice Act 1993 and the UK MAR and confirms that it has and will continue to comply with any obligations imposed by such statutes;
- (o) no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the Issue Shares or possession of this Prospectus (and any supplementary prospectus issued by the Company prior to the relevant Admission), in any country or jurisdiction where action for that purpose is required;
- (p) if it is acting as a "distributor" (for the purposes of the relevant MiFID II Product Governance Requirements):
  - (i) it acknowledges that the Target Market Assessment undertaken by Alvarium Securities and the Investment Adviser does not constitute: (A) an assessment of suitability or appropriateness for the purposes of the UK MiFID Laws and EU MiFID II; or (B) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Issue Shares and each distributor is responsible for undertaking its own target market assessment in respect of the Issue Shares and determining appropriate distribution channels;
  - (ii) notwithstanding any Target Market Assessment undertaken by Alvarium Securities and the Investment Adviser, it confirms that it has satisfied itself as to the appropriate knowledge, experience, financial situation, risk tolerance and objectives and needs of the investors to whom it plans to distribute the Issue Shares and that it has

considered the compatibility of the risk/reward profile of such Issue Shares with the end target market;

- (iii) it acknowledges that the price of the Issue Shares may decline and investors could lose all or part of their investment; the Issue Shares offer no guaranteed income and no capital protection; and an investment in the Issue Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom; and
- (iv) it agrees that if so required by Alvarium Securities, it shall provide aggregate summary information on sales of the Issue Shares as contemplated under rule 3.3.30(R) of the PROD Sourcebook and information on the reviews carried out under rules 3.3.26(R) to 3.3.28(R) of the PROD Sourcebook;
- (q) save in the event of fraud on the part of Alvarium Securities, neither Alvarium Securities, its ultimate holding company nor any direct or indirect subsidiary undertakings of such holding company, nor any of their respective directors, members, partners, officers and employees shall be responsible or liable to such Placee or any of its clients for any matter arising out of Alvarium Securities' role as placing agent or otherwise in connection with the Initial Issue and/or the Placing Programme (and any Subsequent Placing thereunder) and that where any such responsibility or liability nevertheless arises as a matter of law such Placee and, if relevant, its clients, will immediately waive any claim against any of such persons which such investor or any of its clients may have in respect thereof;
- (r) it is aware of, has complied with and will at all times comply with its obligations in connection with money laundering under the Proceeds of Crime Act 2002;
- (s) in the event that a supplementary prospectus is required to be produced pursuant to Article 23 of the UK Prospectus Regulation (as amended) and in the event that it chooses to exercise any right of withdrawal pursuant to Article 23 of the UK Prospectus Regulation (as amended), such Placee will immediately re-subscribe for the Issue Shares previously comprising its Placing commitment;
- (t) the commitment to subscribe for Issue Shares on the terms set out in these terms and conditions will continue notwithstanding any amendment that may in the future be made to the terms of the Placing Programme and that it will have no right to be consulted or require that its consent be obtained with respect to the Company's conduct of the Placing Programme;
- (u) it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Issue Shares and it is not acting on a non-discretionary basis for any such person;
- (v) if it is outside the United Kingdom, neither this Prospectus nor any other offering, marketing or other material in connection with the Initial Placing or any Subsequent Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Issue Shares pursuant to the Initial Placing or any Subsequent Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or material could lawfully be provided to it or such person and Issue Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- (w) if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such Placee's agreement to subscribe for Issue Shares under the Initial Placing or under any Subsequent Placing and will not be any such person on the date any such agreement to subscribe under the Initial Placing or any Subsequent Placing is accepted;

- (x) it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other offering materials concerning the Initial Placing or any Subsequent Placing or the Issue Shares to any persons within the United States (subject to certain limited exceptions), nor will it do any of the foregoing;
- (y) it acknowledges that neither Alvarium Securities nor any of its Affiliates, nor any person acting on its or their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Initial Placing or any Subsequent Placing or providing any advice in relation to the Initial Placing or any Subsequent Placing and participation in the Initial Placing or any Subsequent Placing is on the basis that it is not and will not be a client of Alvarium Securities and that Alvarium Securities has no duties or responsibilities to it for providing the protections afforded to their respective clients or for providing advice in relation to the Initial Placing or any Subsequent Placing nor in respect of any representations, warranties, undertakings or indemnities otherwise required to be given by it in connection with its application under the Initial Placing or any Subsequent Placing;
- (z) it acknowledges that where it is subscribing for Issue Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account:
  - (i) to subscribe for the Issue Shares for each such account;
  - (ii) to make on each such account's behalf the representations, warranties and agreements set out in this Prospectus; and
  - (iii) to receive on behalf of each such account any documentation relating to the Initial Placing or the relevant Subsequent Placing in the form provided by the Company and/or Alvarium Securities,

and it agrees that the provisions of this paragraph shall survive any resale of the Issue Shares by or on behalf of any such account;

- (aa) it irrevocably appoints any director of the Company and any director of Alvarium Securities to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Issue Shares for which it has given a commitment under the Initial Placing or any Subsequent Placing, in the event of its own failure to do so;
- (bb) it accepts that if the Initial Placing or the relevant Subsequent Placing does not proceed or the conditions to the Placing Agreement are not satisfied or the Issue Shares for which valid applications are received and accepted are not admitted to trading on the Main Market and to listing on the premium listing segment of the Official List for any reason whatsoever then none of the Company, Alvarium Securities, the Sponsor, the Investment Adviser and the AIFM nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- (cc) in connection with its participation in the Initial Placing or any Subsequent Placing it has observed all relevant legislation and regulations;
- (dd) it acknowledges that Alvarium Securities and the Company are entitled to exercise any of their rights under the Placing Agreement or any other right in their absolute discretion without any liability whatsoever to it;
- (ee) the representations, undertakings and warranties contained in this Prospectus are irrevocable. It acknowledges that Alvarium Securities and the Company and their respective Affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or

deemed to have been made by its subscription of the Issue Shares are no longer accurate, it shall promptly notify Alvarium Securities and the Company;

- (ff) where it or any person acting on behalf of it is dealing with Alvarium Securities, any money held in an account with Alvarium Securities on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Alvarium Securities to segregate such money, as that money will be held by Alvarium Securities under a banking relationship and not as trustee;
- (gg) any of its clients, whether or not identified to Alvarium Securities, will remain its sole responsibility and will not become clients of Alvarium Securities for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- (hh) it accepts that the allocation of Issue Shares shall be determined by the Company in its absolute discretion (in consultation with Alvarium Securities) and that the Company may scale down any commitments for this purpose on such basis as it may (in consultation with Alvarium Securities) determine;
- (ii) time shall be of the essence as regards its obligations to settle payment for the Issue Shares and to comply with its other obligations under the Initial Placing or the relevant Subsequent Placing;
- (jj) its commitment to acquire Issue Shares will be agreed orally with Alvarium Securities as agent for the Company and that a Contract Note or Placing Confirmation will be issued by Alvarium Securities as soon as possible thereafter. That oral confirmation will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and Alvarium Securities to subscribe for the number of Issue Shares allocated to it at the Initial Issue Price or the Placing Programme Price, as applicable, on the terms and conditions set out in this Part 10 (*Terms and Conditions of the Initial Placing and each Subsequent Placing*) and, as applicable, in the Contract Note or Placing Confirmation. Except with the consent of Alvarium Securities, such oral commitment will not be capable of variation or revocation after the time at which it is made;
- (kk) its allocation of Issue Shares under the Initial Placing and any Subsequent Placing will be evidenced by the Contract Note or Placing Confirmation, as applicable, confirming:
  - (i) the number of Issue Shares that such Placee has agreed to subscribe for;
  - (ii) the aggregate amount that such Placee will be required to pay for such Issue Shares; and
  - (iii) settlement instructions to pay Alvarium Securities as agent for the Company. The terms of this Part 10 (*Terms and Conditions of the Initial Placing and each Subsequent Placing*) will be deemed to be incorporated into that Contract Note or Placing Confirmation; and
- (ll) for the avoidance of doubt, nothing in these terms and conditions is intended to exclude the liability of any person for fraud or fraudulent misrepresentation made by that person.

The Company reserves the right to reject all or part of any offer to purchase Issue Shares for any reason. The Company also reserves the right to sell fewer than all of the Issue Shares offered by this Prospectus or to sell to any purchaser fewer than all of the Issue Shares a purchaser has offered to purchase.



## 5 MONEY LAUNDERING

### 5.1 Each Placee acknowledges and agrees that:

- (a) its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person:
  - (i) subject to the UK Money Laundering Regulations 2017 in force in the United Kingdom; or
  - (ii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the UK Money Laundering Regulations 2017 (which may include the provisions of the EU Money Laundering Directive);
- (b) due to anti-money laundering requirements, Alvarium Securities and/or the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Alvarium Securities and/or the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Alvarium Securities and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it;
- (c) it is aware of, has complied with and will at all times comply with its obligations in connection with the UK Money Laundering Regulations 2017.

## 6 DATA PROTECTION

- 6.1 Each Placee acknowledges that it has been informed that, pursuant to applicable data protection legislation (including the UK GDPR and the EU GDPR) and regulatory requirements in the United Kingdom and/or the EEA, as appropriate (**DP Legislation**) the Company, the Company Secretary and/or the Registrar hold their personal data. Personal data will be retained on record for a period exceeding six years after which it is no longer used (subject always to any limitations on retention periods set out in the DP Legislation). The Registrar and the Company Secretary will process such personal data at all times in compliance with DP Legislation and shall only process such information for the purposes set out in the Company's privacy notice (the **Purposes**) which is available for consultation on the Company's website [www.atratoroof.com](http://www.atratoroof.com) (the **Privacy Notice**).
- 6.2 Where necessary to fulfil the Purposes, the Company will disclose personal data to:
  - (a) third parties located either within, or outside of the EEA, for the Registrar and the Company Secretary to perform their respective functions, or when it is within its legitimate interests, and in particular in connection with the holding of Issue Shares; or
  - (b) its Affiliates, the Registrar, the Company Secretary, the Investment Adviser or the AIFM and their respective associates, some of which are located outside of the UK and EEA.
- 6.3 Any sharing of personal data between parties will be carried out in compliance with DP Legislation and as set out in the Company's Privacy Notice.
- 6.4 In providing the Registrar with personal data, the Placee hereby represents and warrants to the Company, the Registrar and the Company Secretary that: (1) it complies in all material aspects with its data controller obligations under DP Legislation, and in particular, it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Company's Privacy Notice to such relevant data subjects; and (2) where consent is legally competent and/or required under DP Legislation, the Placee has obtained the consent of any data subject to the Company, the Company Secretary and the

Registrar and their respective Affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes).

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

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

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

## **8 NON UNITED KINGDOM INVESTORS**

- 8.1 If the Placee is outside the United Kingdom, neither this Prospectus nor any other offering, marketing or other material in connection with the Initial Placing and/or the Placing Programme constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Issue Shares pursuant to the Initial Placing or any Subsequent Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Issue Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements.
- 8.2 None of the Issue Shares has been or will be registered under the laws of the United States, Canada, Australia, the Republic of South Africa or Japan. Accordingly, the Issue Shares may not

be offered, sold, issued or delivered, directly or indirectly, within any of the United States, Canada, Australia, the Republic of South Africa or Japan or to any national, resident or citizen of Canada, Australia, the Republic of South Africa or Japan unless an exemption from any registration or prospectus requirement is available.

## **9 MISCELLANEOUS**

- 9.1 The rights and remedies of the Company, Alvarium Securities, the Sponsor, the Investment Adviser, the AIFM and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 9.2 On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Initial Placing or any Subsequent Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.
- 9.3 Each Placee agrees to be bound by the Articles once the Issue Shares, which the Placee has agreed to subscribe for pursuant to the Initial Placing or any Subsequent Placing, have been acquired by the Placee. The contract to subscribe for Issue Shares under the Initial Placing or any Subsequent Placing and the appointments and authorities mentioned in this Prospectus and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Company, Alvarium Securities, the Sponsor, the Investment Adviser, the AIFM and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.
- 9.4 In the case of a joint agreement to subscribe for Issue Shares under the Initial Placing or any Subsequent Placing, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.
- 9.5 Alvarium Securities and the Company expressly reserve the right to modify the Initial Placing or any Subsequent Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined. Alvarium Securities and the Company expressly reserve the right to require any Placee to agree to such further (or modified) terms and/or conditions and/or give such additional (or modified) warranties and/or representations as they (in their absolute discretion) see fit and/or may require any such Placee to execute a separate placing letter and/or other documentation. The Initial Placing and any Subsequent Placing are subject to the satisfaction of the conditions contained in the Placing Agreement and the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained paragraph 8.1 of Part 8 (*Additional Information*) of this Prospectus.

## Part 11

### Terms and Conditions of the Offer for Subscription

If you apply for Ordinary Shares under the Offer, you will be agreeing with the Company, the Registrar and the Receiving Agent to the terms and conditions of application set out below. Potential investors should note the section entitled "*Notes on how to complete the Application Form for the Offer*" in Appendix 1 to this Prospectus.

#### 1 OFFER TO SUBSCRIBE FOR ORDINARY SHARES

- 1.1 Your application must be made on the Application Form attached at Appendix 2 to this Prospectus or as may be otherwise published by the Company. By completing and delivering an Application Form, you, as the applicant, and, if you sign the Application Form on behalf of another person or a corporation, that person or corporation:
- (a) offer to subscribe for such number of Ordinary Shares at 100 pence per Ordinary Share as may be specified in Box 1 on your Application Form (being a minimum investment amount of £1,000 and thereafter in multiples of £100) on the terms, and subject to the conditions, set out in this Prospectus, including these Terms and Conditions of the Offer for Subscription, and the Articles (as amended from time to time);
  - (b) agree that in respect of any Ordinary Shares for which you wish to subscribe under the Offer you will submit payment in Sterling;
  - (c) agree that, in consideration of the Company agreeing that it will not, prior to the date of Initial Admission, offer for subscription any Ordinary Shares to any person other than by means of the procedures referred to in this Prospectus, your application may not be revoked (subject to any legal right to withdraw your application which arises as a result of any supplementary prospectus being published by the Company subsequent to the date of this Prospectus and prior to Initial Admission) and that this section shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to the Receiving Agent of your Application Form;
  - (d) undertake to pay the amount specified in Box 1 on your Application Form in full on application and warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured, you will not be entitled to receive the share certificates for the Ordinary Shares applied for in certificated form or be entitled to commence dealing in the Ordinary Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such Ordinary Shares unless and until you make payment in cleared funds for such Ordinary Shares and such payment is accepted by the Receiving Agent (which acceptance shall not constitute an acceptance of your application under the Offer and shall be in its absolute discretion and on the basis that you indemnify the Company, the Registrar, the Receiving Agent, Alvarium Securities and their respective Affiliates against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) void the agreement to allot the Ordinary Shares and may allot them to some other person, in which case you will not be entitled to any refund or payment in respect thereof (other than the refund by way of a cheque, in your favour, at your risk, for an amount equal to the proceeds of the remittance which accompanied your Application Form, without interest);
  - (e) agree that where on your Application Form a request is made for Ordinary Shares to be deposited into a CREST account on a DvP basis, the Receiving Agent may in its absolute discretion amend the Application Form so that such Ordinary Shares may be issued in certificated form registered in the name(s) of the applicant(s) specified in your Application Form (and recognise that the Receiving Agent will so amend the form if there is any delay in satisfying the identity of the applicant or the owner of the CREST account or in receiving

your remittance in cleared funds as approved by both the Company and Alvarium Securities);

- (f) agree, in respect of applications for Ordinary Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 1.1(e) above to issue Ordinary Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled or pursuant to paragraph 1.1(e) above (and any monies returnable to you) may be retained by the Receiving Agent:
  - (i) pending clearance of your remittance;
  - (ii) pending investigation of any suspected breach of the warranties contained in paragraph 5 of this Part 11 (*Terms and Conditions of the Offer for Subscription*) of this Prospectus or any other suspected breach of these Terms and Conditions of the Offer for Subscription; or
  - (iii) pending any verification of identity which is, or which the Receiving Agent considers may be, required for the purpose of any anti-money laundering requirements;
- (g) agree, on the request of the Receiving Agent, to disclose promptly in writing to it such information as the Receiving Agent may request in connection with your application and authorise the Receiving Agent to disclose any information relating to your application which it may consider appropriate;
- (h) agree that, if evidence of identity satisfactory to the Receiving Agent is not provided to the Receiving Agent within a reasonable time (in the opinion of the Receiving Agent and/or the Company) following a request therefor, the Company may terminate the agreement with you to allot Ordinary Shares and, in such case, the Ordinary Shares which would otherwise have been allotted to you may be re-allotted or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned in the same method that the payment was received by the Receiving Agent, on which the payment accompanying the application was first drawn without interest and at your risk;
- (i) agree that you are not applying on behalf of a person engaged in money laundering, drug trafficking or terrorism, or any sanctioned individual or entity;
- (j) undertake to ensure that, in the case of an Application Form signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) is enclosed with your Application Form together with full identity documents for the person so signing;
- (k) authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of Ordinary Shares for which your application is accepted or if you have completed Section 2B on your Application Form, but subject to paragraph 1.1(e) above, to deliver the number of Ordinary Shares for which your application is accepted into CREST on a DvP basis only, and/or to return any monies returnable to you in the manner in which your investment was received by the Receiving Agent without interest and at your risk;
- (l) confirm that you have read and complied with paragraph 7 of this Part 11 (*Terms and Conditions of the Offer for Subscription*) of this Prospectus;
- (m) agree that all subscription cheques and bankers' draft payments will be processed through a bank account in the name of **Link Market Services Ltd RE: Atrato Onsite Energy plc – OFS CHQ A/C** opened with the Receiving Agent;

- (n) agree that all subscription payments made by Electronic Bank Transfer will be processed through a bank account in the name of **Link Market Services Ltd RE: Atrato Onsite Energy plc – OFS CHAPS A/C** opened with the Receiving Agent;
  - (o) agree that your Application Form is addressed to the Receiving Agent on behalf of the Company; and
  - (p) for any Applications for Ordinary Shares required to be in CREST, you agree that the Application Form must be completed and signed by the named CREST holder, rather than any underlying beneficial investor and payment must be made in CREST on a DvP method in CREST.
- 1.2 Any application may be rejected in whole or in part at the sole discretion of the Company.

## **2 ACCEPTANCE OF YOUR OFFER**

- 2.1 The Receiving Agent may, on behalf of the Company, accept your offer to subscribe (if your application is received, valid (or treated as valid), processed and not rejected) for Ordinary Shares either:
- (a) by informing Alvarium Securities and the Company so they may notify the FCA of the basis of allocation (in which case the acceptance will be on that basis); or
  - (b) by notifying acceptance to the Company.
- 2.2 The basis of allocation will be determined by the Directors (following consultation with Alvarium Securities). The right is reserved notwithstanding the basis as so determined to reject in whole or in part and/or scale back any application on such basis as they may determine. The right is reserved to treat as valid any application not complying fully with these Terms and Conditions of the Offer for Subscription or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Application Form where you have agreed with the Company in some other manner to apply in accordance with these Terms and Conditions of the Offer for Subscription. The Company and Receiving Agent reserve the right (but shall not be obliged) to accept Application Forms and accompanying remittances which are received otherwise than in accordance with these Terms and Conditions of the Offer for Subscription.
- 2.3 The Receiving Agent will present all cheques and bankers' drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants' payments. The right is also reserved to reject in whole or in part, or to scale down or limit, any application.
- 2.4 The Company reserves the right in its absolute discretion (but shall not be obliged) to accept applications for less than the minimum subscription.

## **3 CONDITIONS**

- 3.1 The contracts created by the acceptance of applications (in whole or in part) under the Offer will be conditional on, among other things:
- (a) Initial Admission becoming effective by not later than 8.00 a.m. (London time) on 23 November 2021 (or such later time and/or date, not being later than 8.00 a.m. on 31 January 2022, as the Company, the Investment Adviser, Alvarium Securities and the Sponsor may agree); and
  - (b) the Placing Agreement becoming otherwise unconditional in all respects, and not being terminated in accordance with its terms before Initial Admission becomes effective.

- 3.2 You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other rights you may have.

#### **4 RETURN OF APPLICATION MONIES**

Where application monies have been banked and/or received, if any application is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest and after the deduction of any applicable bank charges to you in the manner in which your investment was received by the Receiving Agent at the risk of the person(s) entitled thereto. In the meantime, application monies will be retained by the Receiving Agent in a separate non-interest bearing account.

#### **5 WARRANTIES**

- 5.1 By completing an Application Form, you:

- (a) warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions of the Offer for Subscription and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;
- (b) make the representations, warranties, undertakings, agreements and acknowledgements set out in this Prospectus, including (unless otherwise expressly agreed with the Company) those set out in the paragraph entitled "Representations, Warranties and Undertakings" in Part 5 (*The Initial Issue*) of this Prospectus;
- (c) represent, warrant, undertake, agree and acknowledge that, unless otherwise agreed in writing with the Company, you are not a US Person, are not located within the United States, are acquiring the Issue Shares in an "offshore transaction" as defined in and meeting the requirements of Regulation S and are not acquiring the Issue Shares for the account or benefit of a US Person;
- (d) warrant, if the laws of any territory or jurisdiction other than the United Kingdom are applicable to your application, that you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company, the Receiving Agent, Alvarium Securities or any of their respective Affiliates, officers, agents or employees, acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Offer in respect of your application;
- (e) warrant that you are entitled to acquire the Ordinary Shares under the applicable laws of all relevant jurisdictions, you have fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and you have paid or will pay all issue, transfer or other taxes due in connection with your acceptance in any jurisdiction of the Ordinary Shares and that you have not taken any action, or omitted to take any action, which may result in the Company or Alvarium Securities, or their respective directors, officers, agents, employees and advisers, being in breach of the laws of any jurisdiction in connection with the Initial Issue or your acceptance of participation in the Initial Issue;
- (f) have received, carefully read and understand this Prospectus and, unless otherwise expressly agreed with the Company, you have not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other offering materials or publicity relating to the Ordinary Shares into or within Australia, Canada,

Japan, the Republic of South Africa or the United States, nor will you do any of the foregoing;

- (g) warrant that you do not have a registered address in, and are not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Ordinary Shares and you are not acting on a non-discretionary basis for any such person;
- (h) confirm that in making an application you are not relying on any information or representations in relation to the Company and the Ordinary Shares other than those contained in this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus and prior to Initial Admission (on the basis of which alone your application is made) and accordingly you agree that no person responsible solely or jointly for this Prospectus, any such supplementary prospectus or any part thereof shall have any liability for any such other information or representation and any information relating to the exchange of tax information;
- (i) agree that, having had the opportunity to read this Prospectus, you shall be deemed to have had notice of all information and representations contained herein;
- (j) acknowledge that no person is authorised in connection with the Offer to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus and prior to Initial Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the Receiving Agent, Alvarium Securities or any of their respective Affiliates;
- (k) warrant that you are not under the age of 18 on the date of your application;
- (l) agree that all documents and monies sent by post to, by or on behalf of the Company, or the Receiving Agent, will be sent at your risk and, in the case of documents and returned application cheques and payments to be sent to you, may be sent to you at your address (or, in the case of joint applicants, the address of the first-named applicant) as set out in your Application Form;
- (m) confirm that you have reviewed the restrictions contained in paragraph 7 of this Part 11 (*Terms and Conditions of the Offer for Subscription*) of this Prospectus and warrant, to the extent relevant, that you (and any person on whose behalf you apply) comply or have complied with the provisions therein;
- (n) agree that, in respect of those Ordinary Shares for which your Application Form has been received and processed and not rejected, acceptance of your Application Form shall be constituted by the Company instructing the Registrar to enter your name on the Register;
- (o) agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer and any non-contractual obligations arising in connection therewith shall be governed by and construed in accordance with the laws of England and Wales and that you submit to the jurisdiction of the English courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
- (p) irrevocably authorise the Company, the Receiving Agent, Alvarium Securities or any other person authorised by any of them, as your agent, to do all things necessary to effect registration of any Ordinary Shares subscribed by or issued to you into your name and authorise any representatives of the Company, the Receiving Agent and Alvarium Securities to execute any documents required thereafter and to enter your name on the Register;
- (q) warrant that you (i) are: highly knowledgeable and experienced in business and financial matters as to be capable of evaluating the merits and risks of an investment in the Ordinary



Shares; (ii) fully understand the risks associated with such investment; and (iii) are able to bear the economic risk of your investment in the Company and are currently able to afford the complete loss of such investment;

- (r) acknowledge that the KID relating to the Ordinary Shares to be issued pursuant to the Offer in connection with the Ordinary Shares pursuant to the UK PRIIPs Laws can be provided to you in paper form or by means of a website, but that where you are applying under the Offer directly and not through an adviser or other intermediary, unless requested in writing otherwise, the lodging of an Application Form represents your consent to being provided the KID via the website at <http://www.atratoroof.com> or on such other website as has been notified to you. Where your application is made on an advised basis or through another intermediary, the terms of your engagement should address the means by which such KID will be provided to you;
- (s) acknowledge and agree that the procedures for calculating the risks, costs and potential returns as set out in the KID relating to the Ordinary Shares are prescribed by the UK PRIIPs Laws and the information contained in the KID may not reflect the expected returns for the Company, and that anticipated performance returns cannot be guaranteed;
- (t) agree to provide the Company and Receiving Agent with any information which they may request in connection with your application or to comply with any other relevant legislation (as the same may be amended from time to time) including without limitation satisfactory evidence of identity to ensure compliance with anti-money laundering requirements;
- (u) agree that each of the Receiving Agent and Alvarium Securities is acting for the Company in connection with the Offer and for no-one else and that they will not treat you as their customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of Ordinary Shares or concerning the suitability of Ordinary Shares for you or be responsible to you for providing the protections afforded to their customers; and
- (v) warrant that the information contained in your Application Form is true and accurate.

## 6 MONEY LAUNDERING

- 6.1 You agree that, in order to ensure compliance with the UK Money Laundering Regulations 2017 (where applicable), the Receiving Agent may respectively at its absolute discretion require verification of identity from any person lodging an Application Form.
- 6.2 The Receiving Agent may undertake electronic searches for the purposes of verifying your identity. To do so the Receiving Agent may verify the details against your identity, but may also request further proof of your identity. The Receiving Agent reserves the right to withhold any entitlement (including any refund cheque) until such verification of identity is completed to its satisfaction.
- 6.3 Payments being made by cheque or banker's draft must be made in Sterling drawn on a United Kingdom branch of a bank or building society. Cheques, which must be drawn on your personal account where you have sole or joint title to the funds, should be made payable to **Link Market Services Ltd RE: Atrato Onsite Energy plc – OFS CHQ A/C**. Third-party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has inserted the full name of the account holder and has added the building society or bank branch stamp by stamping or endorsing the cheque/banker's draft by following the instructions in paragraph 6.7 below.
- 6.4 The name on the bank account must be the same as that shown on the Application Form.
- 6.5 Where you appear to the Receiving Agent to be acting on behalf of some other person, certifications of identity of any persons on whose behalf you appear to be acting may be required.

6.6 Failure to provide the necessary evidence of identity may result in application(s) being rejected or in delays in the despatch of documents.

6.7 In all circumstances, verification of the identity of applicants will be required. If you use a building society cheque, banker's draft or money order, you should ensure that the bank or building society enters the name, address and account number of the person whose account is being debited on the reverse of the cheque, banker's draft or money order and adds its stamp.

## **7 DATA PROTECTION**

7.1 Each applicant acknowledges that it has been informed that, pursuant to applicable data protection legislation (including the UK GDPR and the EU GDPR) and regulatory requirements in the United Kingdom and/or the EEA, as appropriate (**DP Legislation**) the Company, the Company Secretary and/or the Registrar hold their personal data. Personal data will be retained on record for a period exceeding six years after which it is no longer used (subject always to any limitations on retention periods set out in the DP Legislation). The Registrar and the Company Secretary will process such personal data at all times in compliance with DP Legislation and shall only process such information for the purposes set out in the Company's privacy notice (the **Purposes**) which is available for consultation on the Company's website [www.atoroorof.com](http://www.atoroorof.com) (the **Privacy Notice**).

7.2 Where necessary to fulfil the Purposes, the Company will disclose personal data to:

- (a) third parties located either within or outside of the EEA, for the Registrar and the Company Secretary to perform their respective functions, or when it is within its legitimate interests, and in particular in connection with the holding of Ordinary Shares; or
- (b) its Affiliates, the Registrar, the Company Secretary, the Investment Adviser or the AIFM and their respective associates, some of which are located outside of the UK and EEA.

7.3 Any sharing of personal data between parties will be carried out in compliance with DP Legislation and as set out in the Company's Privacy Notice.

7.4 In providing the Registrar with personal data, each applicant hereby represents and warrants to the Company, the Registrar and the Company Secretary that: (a) it complies in all material aspects with its data controller obligations under DP Legislation, and in particular, it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Company's Privacy Notice to such relevant data subjects; and (b) where consent is legally competent and/or required under DP Legislation, the applicant has obtained the consent of any data subject to the Company, the Company Secretary and the Registrar and their respective Affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes).

7.5 Each applicant acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the applicant is a natural person it represents and warrants that (as applicable) it has read and understood the terms of the Company's Privacy Notice.

7.6 Each applicant acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the applicant is not a natural person it represents and warrants:

- (a) it has brought the Company's Privacy Notice to the attention of any underlying data subjects on whose behalf or account the applicant may act or whose personal data will be disclosed to the Company and the Company Secretary as a result of the applicant agreeing to subscribe for Ordinary Shares under the Offer; and
- (b) the applicant has complied in all other respects with all applicable data protection legislation in respect of disclosure and provision of personal data to the Company.

- 7.7 Where the applicant acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, it shall, in respect of the personal data it processes in relation to or arising in relation to the Offer:
- (a) comply with all applicable data protection legislation;
  - (b) take appropriate technical and organisational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of or damage to the personal data;
  - (c) if required, agree with the Company and the Registrar the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and
  - (d) immediately on demand, fully indemnify the Company and the Registrar and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect losses and loss of profits, business and reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Registrar in connection with any failure by the applicant to comply with the provisions set out above.

## 8 OVERSEAS PERSONS

The attention of potential investors who are not resident in, or who are not citizens of, the United Kingdom, the Isle of Man, Guernsey and Jersey is drawn to this paragraph 8:

- 8.1 The offer of Ordinary Shares under the Offer to persons who are resident in, or citizens of, countries other than the United Kingdom (**Overseas Persons**) may be affected by the law of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to subscribe for Ordinary Shares under the Offer. It is the responsibility of all Overseas Persons receiving this Prospectus and/or wishing to subscribe to the Ordinary Shares under the Offer, to satisfy themselves as to full observance of the laws of any relevant territory or jurisdiction in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities required to be observed and paying any issue, transfer or other taxes due in such territory.
- 8.2 No person receiving a copy of this Prospectus in any territory other than the United Kingdom may treat the same as constituting an offer or invitation to him, unless in the relevant territory such an offer can lawfully be made to him without compliance with any further registration or other legal requirements.
- 8.3 Unless otherwise expressly agreed with the Company, persons (including, without limitation, custodians, nominees and trustees) receiving this Prospectus should not distribute or send it in or into the United States, Australia, Canada, Japan or the Republic of South Africa, their respective territories or possessions or any other jurisdiction, or to any other person, where to do so would or might contravene local securities laws or regulations.
- 8.4 The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares pursuant to the Offer if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

## 9 MISCELLANEOUS

- 9.1 The rights and remedies of the Company, the Receiving Agent and Alvarium Securities under these Terms and Conditions of the Offer for Subscription are in addition to any rights and remedies which would otherwise be available to any of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 9.2 The Company reserves the right to shorten or extend the closing time and/or date of the Offer from 1.00 p.m. (London time) on 17 November 2021 (provided that if the closing time is extended

this Prospectus remains valid at the closing time as extended) by giving notice to the London Stock Exchange. The Company will notify investors via an RIS and any other manner, having regard to the requirements of the London Stock Exchange.

- 9.3 The Company may terminate the Offer, in its absolute discretion, at any time prior to Initial Admission. If such right is exercised, the Offer will lapse and any monies will be returned to you as indicated at your own risk and without interest.
- 9.4 The dates and times referred to in these Terms and Conditions of the Offer for Subscription may be altered by the Company, including but not limited to so as to be consistent with the Placing Agreement (as the same may be altered from time to time in accordance with its terms).
- 9.5 Save where the context requires otherwise, terms used in these Terms and Conditions of the Offer for Subscription bear the same meaning as used elsewhere in this Prospectus.

## **Part 12**

### **Glossary**

<b>AEOI</b>	Automatic Exchange of Information
<b>BEIS</b>	the Department for Business, Energy and Industrial Strategy, UK
<b>CCC</b>	Committee on Climate Change
<b>CRU</b>	Commission for Regulation of Utilities
<b>DAC6</b>	The EU Council Directive 2011/16 in relation to cross-border tax arrangements
<b>ESG</b>	Environmental, Social and Governance
<b>GW</b>	gigawatt (a unit of power equal to one billion watts)
<b>MW</b>	megawatt (a unit of power equal to one million watts)
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>O&amp;M</b>	operation and maintenance
<b>Ofgem</b>	the Office of Gas and Electricity Markets
<b>P10</b>	value with 10 per cent. probability of exceedance
<b>P90</b>	value with 90 per cent. probability of exceedance
<b>PPA</b>	power purchase agreement
<b>UN</b>	United Nations
<b>PV</b>	photovoltaic
<b>SDG</b>	Sustainable Development Goals
<b>TCFD</b>	Task Force on Climate-related Financial Disclosures

## Part 13

### Definitions

The following definitions apply in this Prospectus unless the context otherwise requires:

<b>Acquisition Notice</b>	has the meaning given in paragraph 7 of Part 8 ( <i>Additional Information</i> ) of this Prospectus
<b>Adjusted NAV</b>	(i) in relation to the Monthly Management Fee, the last published NAV (subject to adjustment for material changes); and (ii) in relation to the Semi-Annual Management Fee, the published NAV relating to the last day of the six month period to which the Semi-Annual Management Fee relates
<b>Admission</b>	the Initial Admission or any Subsequent Admission, as the context requires
<b>Affiliate</b>	an affiliate of, or person affiliated with, a specified person including a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified
<b>AIC</b>	the Association of Investment Companies
<b>AIC Code</b>	the AIC's Code of Corporate Governance for investment companies (February 2019), as amended from time to time
<b>AIF</b>	an alternative investment fund, within the meaning of the EU AIFM Directive or the UK AIFMD Laws (as applicable)
<b>AIFM</b>	JTC Global AIFM Solutions Limited and/or such other person or persons from time to time appointed by the Company as its alternative investment fund manager, within the meaning of the UK AIFMD Laws (as applicable)
<b>Alvarium Securities</b>	Alvarium Securities Limited, the Company's global coordinator, sole bookrunner and intermediaries offer adviser
<b>Apex Group</b>	Apex Group Ltd., a company registered in Bermuda, and its subsidiaries and affiliates
<b>Application Form</b>	the application form for the Offer set out as Appendix 2 to this Prospectus
<b>Articles</b>	the articles of association of the Company, as amended from time to time
<b>Atrato Group</b>	Atrato Group Limited and all its Affiliates
<b>Atrato Partners</b>	Atrato Partners Limited
<b>Audit Committee</b>	the committee of this name established by the Board and having the duties described in the section entitled " <i>Committees: Audit Committee</i> " in Part 3 ( <i>Directors, Management and Administration</i> ) of this Prospectus

<b>Auditors</b>	the auditors of the Company from time to time
<b>Business Day</b>	a day on which the London Stock Exchange and banks in London generally are open for the transaction of normal business
<b>C Share</b>	an ordinary share of £0.10 value in the capital of the Company issued as a "C Share" having such rights and being subject to such restrictions as are contained in the Articles and which, if issued, will convert into Ordinary Shares in accordance with the terms of the Articles
<b>certificated or in certificated form</b>	not in uncertificated form
<b>CFTC</b>	the United States Commodity Futures Trading Commission
<b>Change of Control Fee</b>	has the meaning given in paragraph 8.3 of Part 8 ( <i>Additional Information</i> ) of this Prospectus
<b>Commodity Exchange Act</b>	the United States Commodity Exchange Act of 1936 or any substantially equivalent successor legislation
<b>Common Reporting Standard or CRS</b>	the global standard for the automatic exchange of financial information between tax authorities developed by the Organisation for Economic Co-operation and Development
<b>Companies Act</b>	the Companies Act 2006, as amended
<b>Company</b>	Atrato Onsite Energy plc, an investment company incorporated in England and Wales under the Companies Act on 16 September 2021 with registered number 13624999
<b>Company Secretarial Services Agreement</b>	the company secretarial services agreement between the Company and the Company Secretary, a summary of which is set out in paragraph 8.4 of Part 8 ( <i>Additional Information</i> ) of this Prospectus
<b>Continuation Resolution</b>	has the meaning set out in paragraph 12 of Part 1 of this Prospectus
<b>COVID-19</b>	a novel coronavirus disease, which originally surfaced in Wuhan, China in late 2019
<b>CREST</b>	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations, in accordance with which Shares may be held in uncertificated form
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001 (SI No. 2001/3755), as amended from time to time
<b>Directors or Board</b>	the board of directors of the Company, as constituted from time to time
<b>Disclosure Guidance and Transparency Rules</b>	the disclosure guidance and transparency rules made by the FCA pursuant to FSMA

<b>Discontinuation Resolution</b>	has the meaning set out in paragraph 12 of Part 1 of this Prospectus
<b>DvP</b>	delivery versus payment
<b>EEA</b>	the European Economic Area
<b>EEA Member State</b>	each member state of the EEA
<b>ESG</b>	environmental, social and governance
<b>ERISA</b>	the US Employee Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder
<b>EU</b>	the European Union
<b>EU AIFM Delegated Regulation</b>	the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
<b>EU AIFM Directive</b>	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010, and the EU AIFM Delegated Regulation
<b>EU GDPR</b>	the General Data Protection Regulation (EU) 2016/679
<b>EU Market Abuse Regulation</b>	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing the Directive of the European Parliament and of the Council of 28 January 2003 and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC
<b>EU MiFID II</b>	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ( <b>MiFID</b> ) and Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 ( <b>MiFIR</b> and together with MiFID, <b>MiFID II</b> )
<b>EU Money Laundering Directive</b>	Directive (2018/843/EU) of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing
<b>EU PRIIPs Regulation</b>	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) and its implementing and delegated acts
<b>EU Prospectus Regulation</b>	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to



	be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
<b>Euroclear</b>	Euroclear UK & International Limited with registered number 02878738, the operator of CREST
<b>FATCA</b>	sections 1471 to 1474 of the US Tax Code, known as the US Foreign Account Tax Compliance Act of 2010 (together with any regulations, rules and other guidance implementing such US Tax Code sections and any applicable intergovernmental agreement or information exchange agreement and related statutes, regulations, rules and other guidance thereunder)
<b>Final Closing Date</b>	the earliest of (i) 31 October 2022; (ii) the date on which all of the New Shares available for issue under the Placing Programme have been issued; and (iii) such other date as may be agreed between Alvarium Securities and the Company (such agreed date to be announced by way of an RIS announcement)
<b>Financial Conduct Authority or FCA</b>	the Financial Conduct Authority
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended
<b>Governance Code</b>	the UK Corporate Governance Code as published by the Financial Reporting Council
<b>Gross Asset Value</b>	the total value of the assets of the Group as determined by the Directors in their absolute discretion in accordance with the accounting policies adopted by the Directors
<b>Gross Initial Proceeds</b>	the aggregate value of the Ordinary Shares issued under the Initial Issue at the Initial Issue Price
<b>Group</b>	the Company, Holdco and any other direct or indirect subsidiaries of either of them
<b>HMRC</b>	HM Revenue and Customs
<b>Holdco</b>	Atrato Onsite Energy HoldCo Limited, a wholly-owned subsidiary of the Company incorporated and registered under the Companies Act
<b>Holdco Board</b>	the board of directors of Holdco
<b>IFRS</b>	International Financial Reporting Standards
<b>Initial Admission</b>	the admission of the Ordinary Shares to be issued pursuant to the Initial Issue to the premium listing segment of the Official List and to trading on the Main Market
<b>Initial Issue</b>	the Initial Placing, the Offer and the Intermediaries Offer
<b>Initial Issue Price</b>	100 pence per Ordinary Share
<b>Initial Placing</b>	the placing conducted in connection with the Initial Issue

<b>Intermediaries Booklet</b>	the booklet entitled "Atrato Onsite Energy plc Intermediaries Offer: Information for Intermediaries" and containing, among other things, the Intermediaries Terms and Conditions
<b>Intermediaries Offer</b>	the offer in the UK of Ordinary Shares by Intermediaries to retail investors as described in Part 5 ( <i>The Initial Issue</i> ) of this Prospectus
<b>Intermediaries Offer Adviser</b>	Alvarium Securities
<b>Intermediaries Terms and Conditions</b>	the terms and conditions agreed between the Intermediaries Offer Adviser, the Company, the AIFM, the Investment Adviser and the Intermediaries in relation to the Intermediaries Offer and contained in the Intermediaries Booklet
<b>Intermediaries</b>	any intermediary that is appointed by the Company in connection with the Intermediaries Offer after the date of this Prospectus and "Intermediary" shall mean any one of them
<b>Introductory Services Engagement Letter</b>	the introductory services engagement letter between the Company and the Investment Adviser, a summary of which is set out in paragraph 8.7 of Part 8 ( <i>Additional Information</i> ) of this Prospectus
<b>Investment Adviser</b>	Atrato Partners Limited
<b>Investment Advisory Agreement</b>	the investment advisory agreement between the Company, Holdco, the AIFM and the Investment Adviser (as amended from time to time), a summary of which is set out in paragraph 8.3 of Part 8 ( <i>Additional Information</i> ) of this Prospectus
<b>Investment Committee</b>	the investment committee of the Investment Adviser, details of which are set out in paragraph 3 of Part 3 ( <i>Directors, Management and Administration</i> )
<b>ISA</b>	an individual savings account
<b>ISIN</b>	International Securities Identification Number
<b>Issue Price</b>	the Initial Issue Price or the Placing Programme Price, as applicable
<b>Issue Shares</b>	the Ordinary Shares to be issued pursuant to the Initial Issue and/or the New Shares to be issued pursuant to a Subsequent Placing, or any of them as the context may require
<b>Listing Rules</b>	the listing rules made by the FCA pursuant to Part VI of FSMA
<b>London Stock Exchange or LSE</b>	London Stock Exchange plc
<b>Main Market</b>	the London Stock Exchange's main market for listed securities

<b>Management Team</b>	the core management team of the Investment Adviser who will be responsible for executing the Company's investment strategy, details of which are set out on pages 182 to 184 of this Prospectus
<b>MiFID II Product Governance Requirements</b>	has the definition given in the section entitled " <i>Information to Distributors</i> " in the Part entitled " <i>Important Information</i> " of this Prospectus
<b>Minimum Gross Initial Proceeds</b>	the minimum gross proceeds of the Initial Issue, being £100 million (or such lesser amount as the Company and Alvarium Securities may determine and notify to investors via an RIS announcement and a supplementary prospectus)
<b>Minimum Net Initial Proceeds</b>	the minimum net proceeds of the Initial Issue, being £97.75 million (or such lesser amount as the Company and Alvarium Securities may determine and notify to investors via an RIS announcement and a supplementary prospectus)
<b>Monthly Management Fee</b>	has the meaning given under the heading " <i>Ongoing annual expenses</i> " in Part 3 ( <i>Directors, Management and Administration</i> ) of this Prospectus
<b>Net Asset Value or NAV</b>	the value, as at any date, of the assets of the Company after deduction of all its liabilities, before deducting dividends that have been declared but not paid as at the relevant reporting date, determined in accordance with the accounting policies adopted by the Company from time to time
<b>NAV Total Return</b>	<p>for any period, <math>(A + B) / C</math> expressed as a percentage where:</p> <p>A is (i) the NAV per Share at the end of such period less (ii) the NAV per Share at the start of such period;</p> <p>B is the amount of any capital or income distributions (e.g. dividends) made per Share during the period with all such distributions deemed to have been reinvested in the Shares as at the closing market price for such Shares on the ex-dividend or settlement date of the relevant distribution; and</p> <p>C is the NAV per Share upon Initial Admission</p>
<b>Net Asset Value per Ordinary Share or NAV per Ordinary Share</b>	the Net Asset Value of the assets attributable to the Ordinary Shares divided by the number of Ordinary Shares
<b>Net Asset Value per C Share or NAV per C Share</b>	the Net Asset Value of the assets attributable to the C Shares divided by the number of C Shares
<b>Net Asset Value per Share or NAV per Share</b>	the Net Asset Value per Ordinary Share and/or C Share, as applicable
<b>Net Initial Proceeds</b>	the Gross Initial Proceeds less the fees, commissions and expenses of the Initial Issue (which are expected to be approximately 2 per cent. of the Gross Initial Proceeds)

<b>New Shares</b>	Ordinary Shares and/or C Shares, as applicable, to be issued pursuant to any Subsequent Placing
<b>Non-Qualified Holder</b>	any person whose ownership of Shares: (i) may cause the Company's assets to be deemed "plan assets" for the purpose of ERISA or purposes of the US Tax Code; (ii) may cause the Company to be required to register as an "investment company" under the US Investment Company Act (including because the holder of the Shares is not a "qualified purchaser" as defined in the US Investment Company Act); (iii) may cause the Company to register under the US Exchange Act, the US Securities Act or any similar legislation or the Company or the Investment Adviser to register under the US Investment Advisers Act or any similar legislation; (iv) may cause the Company not to be considered a "foreign private issuer" as such term is defined in rule 3b-4(c) under the US Exchange Act; (v) may result in the Company losing or forfeiting or not being able to claim the benefit of any exemption under the United States Commodity Exchange Act or any substantially equivalent successor legislation or the rules of the CFTC or the National Futures Association or analogous legislation or regulation or becoming subject to any unduly onerous filing, reporting or registration requirement; (vi) may result in a person holding shares in violation of the transfer restrictions put forth in any prospectus published by the Company from time to time; (vii) may cause the Company to be a "controlled foreign corporation" for the purposes of the US Tax Code, or may cause the Company to suffer any pecuniary disadvantage (which will include any excise tax, penalties or liabilities under ERISA or the US Tax Code including as a result of the Company's failure to comply with FATCA as a result of a Non-Qualified Holder failing to provide information as requested by the Company in accordance with the Articles); or (viii) may cause the Company (including for such purposes, its subsidiaries) to lose the benefit of, or suffer pecuniary disadvantage as a result of not being able to take advantage of, any applicable withholding tax treaty or similar arrangement;
<b>Offer or Offer for Subscription</b>	the offer for subscription of Ordinary Shares at the Initial Issue Price pursuant to this Prospectus
<b>Official List</b>	the list maintained by the FCA pursuant to Part VI of FSMA
<b>Ordinary Share</b>	an ordinary share of £0.01 in the capital of the Company, having such rights and being subject to such restrictions as are contained in the Articles
<b>PDMR</b>	person discharging managerial responsibilities
<b>Pipeline Assets</b>	has the meaning given in section 4 ( <i>Pipeline Assets</i> ) in Part 2 ( <i>Market Background, Investment Opportunity, Investment Approach and Pipeline</i> ) of this Prospectus
<b>Placee</b>	a person subscribing for Ordinary Shares pursuant to the Initial Placing or any Subsequent Placing
<b>Placing</b>	a conditional placing of Ordinary Shares by Alvarium Securities on behalf of the Company in connection with the

	Initial Issue or the Placing Programme pursuant to the terms of the Placing Agreement
<b>Placing Agreement</b>	the conditional agreement between the Company, the Investment Adviser, the Directors and Alvarium Securities, a summary of which is set out in paragraph 8.1 of Part 8 ( <i>Additional Information</i> ) of this Prospectus
<b>Placing Programme</b>	the proposed programme of placings of Ordinary Shares and/or C Shares to be carried out by Alvarium Securities on behalf of the Company pursuant to the Placing Agreement, commencing immediately following Initial Admission and closing on the Final Closing Date
<b>Placing Programme Price</b>	the price at which Ordinary Shares or C Shares will be issued pursuant to the Placing Programme to Placees from time to time
<b>PROD</b>	Product Intervention and Product Governance Sourcebook made by the FCA
<b>Prospectus</b>	this document which is a prospectus prepared in accordance with the UK Prospectus Regulation and the Prospectus Regulation Rules
<b>Prospectus Regulation Rules</b>	the prospectus rules made by the FCA under section 73(A) of FSMA
<b>Receiving Agent</b>	Link Group (the trading name of Link Market Services Limited) or such other person or persons from time to time appointed by the Company
<b>Receiving Agent Agreement</b>	the agreement between the Company and the Receiving Agent, a summary of which is set out in paragraph 8.6 of Part 8 ( <i>Additional Information</i> ) of this Prospectus
<b>Redeemable Preference Shares</b>	redeemable preference shares of £1.00 each in the capital of the Company held, at the date of this Prospectus, by Atrato Group Limited
<b>Register</b>	the register of Shareholders
<b>Registrar</b>	Link Group (the trading name of Link Market Services Limited) or such other person or persons from time to time appointed by the Company
<b>Registrar Agreement</b>	the agreement between the Company and the Registrar, a summary of which is set out in paragraph 8.5 of Part 8 ( <i>Additional Information</i> ) of this Prospectus
<b>Regulation S</b>	Regulation S under the US Securities Act
<b>Regulatory Information Service or RIS</b>	a regulatory information service
<b>Rule 144A</b>	Rule 144A under the US Securities Act
<b>SDRT</b>	UK Stamp Duty Reserve Tax

<b>SEC</b>	the US Securities and Exchange Commission
<b>SEDOL</b>	the Stock Exchange Daily Official List
<b>Semi-Annual Management Fee</b>	has the meaning given under the heading " <i>Ongoing annual expenses</i> " in Part 3 ( <i>Directors, Management and Administration</i> ) of this Prospectus
<b>Shareholder</b>	a holder of Shares, from time to time
<b>Shares</b>	Ordinary Shares and/or C Shares, or any of them as the context may require
<b>SIPP</b>	a self-invested personal pension
<b>Sponsor</b>	Dickson Minto W.S., the Company's sponsor
<b>SPV</b>	special purpose vehicle
<b>SSAS</b>	a small self-administered scheme
<b>Sterling or £</b>	the lawful currency of the United Kingdom
<b>Subsequent Admission Date</b>	the date of Admission of Ordinary Shares and/or C Shares issued under any Subsequent Placing
<b>Subsequent Placing</b>	any placing under the Placing Programme
<b>Takeover Code</b>	the City Code on Takeovers and Mergers, as amended from time to time
<b>Target Market Assessment</b>	has the definition given in the section entitled " <i>Information to Distributors</i> " in the Part entitled " <i>Important Information</i> " of this Prospectus
<b>Terms and Conditions of the Offer for Subscription</b>	the terms and conditions of application in respect of the Offer, as set out in Part 11 ( <i>Terms and Conditions of the Offer for Subscription</i> ) of this Prospectus
<b>Third Party Offer</b>	an offer governed by the Takeover Code which is made by a third party offeror (for the avoidance of doubt, not being the Investment Adviser and/or any of its associates) to all Shareholders (or all Shareholders other than the third party offeror and/or any persons acting in concert (as defined in the Takeover Code) with such third party offeror) to acquire the whole of the issued share capital of the Company that is not owned by the third party offeror and persons acting in concert with it (and a scheme of arrangement under sections 895 to 901 of the Companies Act providing for the acquisition by any person of the whole or any part of the issued share capital of the Company shall be deemed to be the making of an offer for these purposes)
<b>Throgmorton or Company Secretary</b>	Throgmorton UK Limited, an Apex Group company
<b>UK or United Kingdom</b>	the United Kingdom of Great Britain and Northern Ireland
<b>UK AIFMD Laws</b>	(i) the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) and any other implementing measure

which operated to transpose EU AIFM Directive in to UK law before 31 January 2020 (as amended from time to time including by the Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2019 (SI 2019/328)); and

(ii) the UK versions of the EU AIFM Delegated Regulation and any other delegated regulations in respect of the EU AIFM Directive, each being part of UK law by virtue of the European Union (Withdrawal) Act 2018, as further amended and supplemented from time to time including by the Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2019 (SI 2019/328), the Technical Standards (Alternative Investment Funds Management Directive) (EU Exit) Instrument 2019 (FCA 2019/37) and the Exiting the European Union: Specialist Sourcebooks (Amendments) Instrument 2019 (FCA 2019/25)

#### **UK GDPR**

the UK version of the EU GDPR (2016/679) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019

#### **UK MAR**

the UK version of the EU Market Abuse Regulation (2014/596) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by the Market Abuse (Amendment) (EU Exit) Regulations 2019

#### **UK MiFID Laws**

(i) the Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017 (SI 2017/701), the Data Reporting Services Regulations 2017 (SI 2017/699) and the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2017 (SI 2017/488), and any other implementing measure which operated to transpose EU MiFID II in to UK law before 31 January 2020 (as amended and supplemented from time to time including by: (1) Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018; (2) the Financial Regulators' Powers (Technical Standards etc.) and Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2019 (SI 2019/576); (3) the Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019; and (4) the Financial Services (Electronic Money, Payment Services and Miscellaneous Amendments) (EU Exit) Regulations 2019; and

(ii) the UK version of Regulation (EU) No 600/2014 of the European Parliament, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by: (a) Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018; (b) the Financial Regulators' Powers (Technical Standards etc.) and Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2019 (SI 2019/576); (c) the Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019; and (d) the Financial Services (Electronic Money, Payment Services

	and Miscellaneous Amendments) (EU Exit) Regulations 2019
<b>UK Money Laundering Regulations 2017</b>	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (SI 2017/692) as amended and supplemented from time to time including by the Money Laundering and Transfer of Funds (Information) (Amendment) (EU Exit) Regulations 2019
<b>UK PRIIPs Laws</b>	the UK version of the EU PRIIPs Regulation which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time including by the Packaged Retail and Insurance-based Investment Products (Amendment) (EU Exit) Regulations 2019 (February 2019); and the Cross-Border Distribution of Funds, Proxy Advisors, Prospectus and Gibraltar (Amendment) (EU Exit) Regulations 2019
<b>UK Prospectus Amendment Regulations 2019</b>	the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234
<b>UK Prospectus Regulation</b>	the UK version of the EU Prospectus Regulation which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended and supplemented from time to time (including but, not limited to, by the UK Prospectus Amendment Regulations 2019 and The Financial Services and Markets Act 2000 (Prospectus) Regulations 2019))
<b>uncertificated or in uncertificated form</b>	a unit of a security title to which is recorded on the register of securities as being held in uncertificated form in CREST and title to which may be transferred by means of CREST, or any other Uncertificated System
<b>Uncertificated System</b>	the CREST UK system and any relevant system or other computer based system and its related facilities and procedures by means of which title to units of a security (including shares) can be endowed and transferred without a written certificate of instrument, as determined from time to time by the Directors
<b>Underlying Applicant</b>	a subscriber for Ordinary Shares pursuant to the Intermediaries Offer
<b>US or United States</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
<b>US Exchange Act</b>	the US Securities Exchange Act of 1934, as amended
<b>US Investment Advisers Act</b>	the US Advisers Company Act of 1940, as amended
<b>US Investment Company Act</b>	the US Investment Company Act of 1940, as amended
<b>US Person</b>	a US Person within the meaning of Regulation S
<b>US Securities Act</b>	the US Securities Act of 1933, as amended



**US Tax Code**

the US Internal Revenue Code of 1986, as amended

## **APPENDIX 1**

### **NOTES ON HOW TO COMPLETE THE OFFER FOR SUBSCRIPTION APPLICATION FORM**

Applications should be returned to the Receiving Agent, Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by the Receiving Agent by no later than 1.00 p.m. (London time) on 17 November 2021.

**HELP DESK:** If you have a query concerning completion of this Application Form please call the Receiving Agent on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. until 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

#### **1 APPLICATION**

Fill in (in figures) in Box 1 the total consideration payable in respect of the Ordinary Shares you wish to subscribe for, which is calculated by the number of Ordinary Shares multiplied by the Initial Issue Price of 100 pence per Ordinary Share (i.e. £1.00 per 1 Ordinary Share). The amount of Ordinary Shares being subscribed for must be a minimum of £1,000, and thereafter in multiples of £100. Your investment amount must be for whole pounds as fractions of shares will not be issued.

#### **2A. HOLDER DETAILS**

Fill in (in block capitals) in Box 2A the full name and address of each holder. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference and the address given for the first named will be entered as the registered address for the holding on the share register and used for all future correspondence. A maximum of four joint holders is permitted. All holders named must sign the Application Form at Section 3.

#### **2B. CREST**

For any Applications for Ordinary Shares required to be in CREST, the Application Form must be completed and signed by the named CREST holder, rather than any underlying beneficial investor and payment must be made in CREST on a DvP method and Section 2B should be fully completed with the CREST Participant ID and CREST Member Account ID of the valid CREST account. If you are not a CREST Participant or CREST Sponsored Member, you should leave Section 2B blank and you will automatically receive a share certificate for your Ordinary Shares in your full name as given in section 2A on your completed Application Form, subject to full payment being received by the Receiving Agent with your duly completed Application Form by no later than 1.00 p.m. on 17 November 2021.

#### **3 SIGNATURE**

All holders named in Section 2A must sign Section 3 and insert the date. The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or a bank) must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

## 4 SETTLEMENT

### 4.1 Cheque/banker's draft

Payments by cheque or banker's draft must be made in Sterling drawn on a branch in the United Kingdom of a bank or building society which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or bankers' drafts to be cleared through the facilities provided for members of any of these companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right hand corner.

Cheques, which must be drawn on the personal account of the individual investor where they have a sole or joint title to the funds, should be made payable to **Link Market Services Ltd RE: RE: Atrato Onsite Energy plc – OFS CHQ A/C**. Third-party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping and endorsing the cheque/banker's draft to such effect. The account name should be the same as that shown on the application.

For payments by cheque, please tick the box in Section 4.1.

### 4.2 Electronic bank transfers

For applicants sending subscription monies by electronic bank transfer (CHAPS) payment must be made for value by 1.00 p.m. on 17 November 2021. Applicants should send payment to the relevant bank account as detailed on the Application Form. Applicants must ensure that they remit sufficient funds to cover any charges incurred by their bank.

The payment instruction relating to the electronic transfer must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction, for example: MJ Smith 01234 567890. The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference nor where a payment has been received without an accompanying Application Form.

The account name for any electronic payment should be in the name that is given on your Application Form and payments must relate solely to your application. It is recommended that such transfers are actioned within 24 hours of posting your application, so as to be received by the Receiving Agent by no later than 1.00 p.m. on 17 November 2021.

For payments by CHAPS, please tick the box in Section 4.2.

### 4.3 CREST settlement

The Company will apply for the Ordinary Shares issued pursuant to the Offer in uncertificated form to be enabled for CREST transfer and settlement with effect from Initial Admission (the **Settlement Date**). Accordingly, settlement of transactions in the Ordinary Shares will normally take place within the CREST system.

Applicants choosing to have their shares registered in CREST, must settle via CREST on a DvP method and will need to input their instructions in favour of the Receiving Agent's Participant Account RA06 by no later than 2.00 p.m. on 22 November 2021, for the Receiving Agent to match in CREST, allowing for the delivery and acceptance of Ordinary Shares to be made against payment of the Initial Issue Price per Ordinary Share in Sterling through the CREST system on the Settlement Date, following the CREST matching criteria set out below and in the Application Form in Appendix 2, Section 4.3.

If you do not provide any CREST details or if you provide insufficient CREST details for the Receiving Agent to match to your input CREST account instruction, the Receiving Agent will deliver your Ordinary Shares in certificated form provided payment has been made in terms satisfactory to the Company.

The right is reserved to issue your Ordinary Shares in certificated form should the Company, having consulted with the Receiving Agent, consider this to be necessary or desirable. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system operated by Euroclear in connection with CREST.

The person named for registration purposes in your Application Form must be the registered named CREST holder and the Application Form must be signed by the named CREST holder, rather than any underlying beneficial investor. Neither the Receiving Agent nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement.

By returning the Application Form to the Receiving Agent you agree that you will do all things necessary to ensure that you or your settlement agent/custodian's CREST account allows for the delivery and acceptance of Ordinary Shares to be made prior to 8.00 a.m. on 23 November 2021 against payment of the Initial Issue Price per Ordinary Share.

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST matching criteria set out below:

Trade Date:	19 November 2021
Settlement Date:	23 November 2021
Company:	Atrato Onsite Energy plc
Security Description:	Ordinary Shares of £0.01 each
SEDOL:	BN497V3
ISIN:	GB00BN497V39
CREST message type:	DEL

Should you wish to settle by DvP, you will need to input your CREST DEL instructions in favour of the Receiving Agent's Participant Account RA06 by no later than 2.00 p.m. on 22 November 2021. You must also ensure that you or your settlement agent/custodian has a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

Applicants wishing to settle by DvP will still need to complete and submit a valid Application Form so as to be received by the Receiving Agent by no later than 1.00 p.m. on 17 November 2021. You should tick the relevant payment method box in Section 4.3.

The Receiving Agent will not take any action until a valid DEL message has been alleged to the Participant Account RA06 by the applicant. No acknowledgement of receipt or input will be provided.

In the event of late CREST settlement, the Company, after having consulted with the Receiving Agent, reserves the right to deliver Ordinary Shares outside CREST in certificated form provided payment has been made in terms satisfactory to the Company and all other conditions in relation to the Offer for Subscription have been satisfied.

## **5 CONTACT DETAILS**

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person who may be contacted by the Receiving Agent with any enquiries concerning your application. Ordinarily this contact person should be the person signing in Section 3 on behalf of the first named holder.

## **6 INSTRUCTIONS FOR DELIVERY OF COMPLETED APPLICATION FORMS**

Completed Application Forms should be returned, by post to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by the Receiving Agent no later than 1.00 p.m. (London time) on 17 November 2021, together in each case with payment in full in respect of the application (unless paying by CHAPS or via DvP in CREST). If you post your Application Form, you are recommended to use first class post and to allow at least two days for delivery. Application Forms received after this date may be returned.

## **7 ANTI-MONEY LAUNDERING**

Anti-money laundering checks are required by law to be performed on certain financial transactions. The checks are undertaken to make sure investors are genuinely who they say they are and that any application monies have not been acquired illegally or that the Receiving Agent is not being used as part of criminal activity, most commonly the placement, layering and integration of illegally obtained money.

Whilst the Receiving Agent may carry out checks on any application, they are usually only performed when dealing with application values above a certain threshold, commonly referred to as the anti-money laundering threshold which is €15,000 (or the Sterling equivalent).

The Receiving Agent may make enquiries to credit reference agencies to meet its anti-money laundering obligations and the applicant may be required to provide an original or certified copy of their passport, driving licence and recent bank statements to support such enquiries. The Receiving Agent will confirm if any supporting documentation is required.

Anti-money laundering checks do not mean the investor is suspected of anything illegal and there is nothing to worry about. The checks made at credit reference agencies leave an 'enquiry footprint' – an indelible record so that the investor can see who has checked them out. The enquiry footprint does not have any impact on their credit score or on their ability to get credit. Anti-money laundering checks appear as an enquiry/soft search on the applicant's credit report. The report may contain a note saying "Identity Check to comply with Anti Money Laundering Regulations".

The Receiving Agent reserves the right to request any further additional information it deems necessary to confirm the identity, address, source of funds and wealth of all parties, and further it reserves the right to decline an application for any individual or business where it considers that the information available is unsuitable or unreliable.

If at any time the Company has reasonable grounds for suspecting that the funds contributed to the Company may represent the proceeds of crime, it reserves the right to refuse to issue Ordinary Shares or pay income or dividends on Ordinary Shares to the applicant or investor until sufficient information has been supplied to satisfy the Receiving Agent's anti-money laundering requirements.

To the extent that the applicant or, where relevant, the beneficial owner has been identified as a politically exposed person or an associate of a politically exposed person, the Receiving Agent may request additional information. These requirements apply both at the time of investment and on an ongoing basis.

## APPENDIX 2

### APPLICATION FORM FOR THE OFFER FOR SUBSCRIPTION

Please send this completed form by post to Link Group, Corporate Actions, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to be received by the Receiving Agent by no later than 1.00 p.m. (London time) on 17 November 2021.

The Directors may, with the prior approval of Alvarium Securities and the Sponsor, alter such date and thereby shorten or lengthen the Offer period. In the event that the Offer period is altered, the Company will notify investors of such change through a Regulatory Information Service.

**Important:** Before completing this form, you should read the prospectus dated 1 November 2021 (the **Prospectus**) and the Terms and Conditions of Application set out in Part 11 (*Terms and Conditions of the Offer for Subscription*) of the Prospectus and the accompanying notes on how to complete this form.

To: Link Group on behalf of Atrato Onsite Energy plc

#### 1 APPLICATION

I/We the person(s) detailed in Section 2A below offer to subscribe the amount shown in Box 1 (subject to a minimum investment amount of £1,000 and thereafter in multiples of £100) for Ordinary Shares subject to the Terms and Conditions of the Offer for Subscription set out in Part 11 (*Terms and Conditions of the Offer for Subscription*) of the Prospectus and subject to the articles of association of the Company in force from time to time.

#### 2A DETAILS OF HOLDER(S) IN WHOSE NAME(S) ORDINARY SHARES WILL BE ISSUED

(BLOCK CAPITALS)

1<sup>st</sup> named  
Shareholder:

Mr, Mrs, Ms or Title:

Forenames (in full):

Surname/Company name:

Date of birth (for individual investors only):

Address (in full):

Postcode:

Designation (if any):

2<sup>nd</sup> named  
Shareholder:

Mr, Mrs, Ms or Title:

Forenames (in full):

Surname/Company name:

Date of birth (for individual investors only):

Address (in full):

Postcode:

3<sup>rd</sup> named  
Shareholder:

Mr, Mrs, Ms or Title:

Forenames (in full):

Surname/Company name:

Date of birth (for individual investors only):

Address (in full):

Postcode:

4<sup>th</sup> named  
Shareholder:

Mr, Mrs, Ms or Title:

Forenames (in full):

Surname/Company name:

Date of birth (for individual investors only):

Address (in full):

Postcode:

## 2B CREST ACCOUNT DETAILS INTO WHICH ORDINARY SHARES ARE TO BE DEPOSITED (IF APPLICABLE)

Only complete this Section if Ordinary Shares allotted are to be deposited in a CREST account on a DvP basis. The below CREST account details, must be those of the named holder(s) given in Section 2A.

(Block capitals)

CREST Participant ID:

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CREST Member Account ID:

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## 3 SIGNATURE(S): ALL HOLDERS MUST SIGN

By completing the signature/execution boxes below you are deemed to have read the Prospectus and agreed to the Terms and Conditions in Part 11 (*Terms and Conditions of the Offer for Subscription*) of the Prospectus and to have given the warranties, representations and undertakings set out therein.

First Applicant Signature:		Date:	
Second Applicant Signature:		Date:	
Third Applicant Signature:		Date:	
Fourth Applicant Signature:		Date:	

Execution by a Company

Executed by (Name of Company)		Date:	
Name of Director:		Signature:	Date:



Name of Director/Secretary:		Signature:	Date:	
If you are affixing a company seal, please mark a cross:		Affix Company Seal here:		

#### 4 SETTLEMENT

Please tick the relevant box confirming your method of payment.

##### 4.1 Cheque/banker's Draft ☐

If you are subscribing for Ordinary Shares and paying by cheque or banker's draft, pin or staple to this form your cheque or banker's draft for the exact amount shown in Box 1 (being a minimum investment amount of £1,000 and thereafter in multiples of £100) made payable to Link Market Services Ltd RE: Atrato Onsite Energy plc – OFS CHQ A/C. Cheques and bankers' drafts must be in Sterling and drawn on an account at a branch of a clearing bank in the United Kingdom, the Channel Islands or the Isle of Man and must bear a United Kingdom bank sort code number in the top right hand corner.

##### 4.2 Electronic Bank Transfer ☐

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 1:00 p.m. on 17 November 2021 directly into the bank account detailed below. The payment instruction must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction, for example, MJ SMITH 01234 567 8910.

**Bank:** Lloyds Bank plc

**Sort Code:** 30–80–12

**Account No:** 22535068

**Account name:** Link Market Services Ltd RE Atrato Onsite Energy plc– OFS CHAPS A/C

**IBAN:** GB35LOYD30801222535068

**SWIFT:** LOYDGB21F09

Electronic payments must be made from a UK bank account and from a personal account in the name of the individual applicant where they have sole or joint title to the funds. The account name should be the same as that inserted in section 2A of the Application Form and payments must relate solely to your Application. It is recommended that such transfers are actioned within 24 hours of posting your application.

Evidence of the source of funds may also be required. Typically, this would be a copy of the remitting bank account statement clearly identifying the applicant's name, the value of the debit (equal to the application value) and the crediting account details or application reference. If further

documentation to confirm the source of funds is required, the Receiving Agent will request the relevant information.

Any delay in providing monies may affect acceptance of the application. If the Receiving Agent is unable to match your application with a bank payment, there is a risk that your application could be delayed or will not be treated as a valid application and may be rejected by the Company.

You should check with your bank regarding any limits imposed on the level and timing of transfers allowed from your account (for example, some banks apply a maximum transaction or daily limit, and you may need to make the transfer as more than one payment).

The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference or where a payment has been received but without an Application Form.

#### 4.3 **CREST Settlement** ☐

If you so choose to settle your commitment within CREST, that is DvP, you or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment of the Initial Issue Price per Ordinary Share, following the CREST matching criteria set out below:

Trade Date: 19 November 2021  
Settlement Date: 23 November 2021  
Company: Atrato Onsite Energy plc  
Security Description: Ordinary Shares of £0.01 each  
SEDOL: BN497V3  
ISIN: GB00BN497V39  
CREST message type: DEL

You will need to input your CREST DEL instructions in favour of the Receiving Agent's Participant Account RA06 by no later than 2.00 p.m. on 22 November 2021. You must also ensure that you or your settlement agent/custodian has a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

Applicants wishing to settle by DvP will still need to complete and submit a valid Application Form in the CREST holder's name (which must be signed by the named CREST holder and not any underlying beneficial holder) to be received by the Receiving Agent by no later than 1.00 p.m. on 17 November 2021.

The Receiving Agent will not take any action until a valid DEL message has been alleged to the Participant Account RA06 by the applicant. No acknowledgement of receipt or input will be provided.

In the event of late/non settlement, the Company reserves the right to deliver Ordinary Shares outside of CREST in certificated form provided that payment has been made in terms satisfactory to the Company and all other conditions of the Offer for Subscription have been satisfied.

## 5 **CONTACT DETAILS**

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in Section 3 on behalf of the first named holder. Any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:

E-mail address:

Contact address:

Postcode:

Telephone No:

### APPENDIX 3

#### TAX RESIDENCY SELF CERTIFICATION FORM (INDIVIDUALS)

<b>Tax Residency Self-Certification Form (Individuals)</b> <i>A separate form is required for each holder</i>	
<b>Company that shares are held in:*</b>	Atrato Onsite Energy plc
<b>Investor code – please leave this field blank for Link Group to complete</b>	
<b>Name: *</b>	
<b>Registered Address: *</b>  <i>If your address has changed, then you will need to notify us separately. See the questions and answers.</i>	
<b>Tax Residence Address</b>  <i>Only if different to your registered address above.</i>	
<b>Date of Birth *</b>  <i>(DD/MM/YYYY)</i>	
<b>Country/Countries of Residence for Tax Purposes</b>	
<b>Country of residence for tax purposes</b>	<b>Tax Identification Number</b>  <i>In the UK this would be your NI number</i>
<b>1 *</b>	<b>1 *</b>
<b>2</b>	<b>2</b>
<b>3</b>	<b>3</b>
<b>4</b>	<b>4</b>
<b>US Citizen</b>  Please mark the box ONLY if you are a US Citizen (see Definitions) <span style="float: right;"><input type="checkbox"/></span>	
<b>Declarations and Signature</b>  I acknowledge that the information contained in this form and information regarding my shares may be reported to the local tax authority and exchanged with tax authorities of another country or	

countries in which I may be tax resident where those countries have entered into Agreements to exchange Financial Account information.

I undertake to advise the Company within 30 days of any change in circumstances which causes the information contained herein to become incorrect and to provide the Company with a suitably updated Declaration within 30 days of such change in circumstances.

I certify that I am the shareholder (or I am authorised to sign for the shareholder\*\*). If this relates to a joint holding, I also acknowledge that as a joint holder I may be reported to the relevant tax authority if all the other holders do not provide a Tax Residency Self-Certification.

I declare that all statements made in this declaration are, to the best of my knowledge and belief, correct and complete.

<b>Signature: *</b>	
<b>Print Name: *</b>	
<b>Date: *</b>	
<b>Daytime number / telephone address***</b>	<b>email</b>

\* Mandatory field

\*\* If signing under a power of attorney, please also attach a certified copy of the power of attorney.

\*\*\*We will only contact you if there is a question around the completion of the self- certification form.

## INTRODUCTION

The law requires that Financial Institutions collect, retain and report certain information about their account holders, including the account holders tax residency.

Please complete the form above and provide any additional information requested.

If your declared country/countries of residence for tax purposes is not the same as that of the Financial Institution and is either the US or is on the OECD list of countries which have agreed to exchange information (<http://www.oecd.org/tax/transparency/AEOI-commitments.pdf>), the Financial Institution will be obliged to share this information with its local tax authority who may then share it with other relevant local tax authorities.

Failure to validly complete and return this form will result in you being reported onwards to the relevant local tax authority. Additionally, if this form has been issued in conjunction with an application for a new holding, then your application may be adversely impacted.

Definitions of terms used in this form can be found below.

If your registered address (or name) has changed, then you must advise us separately. Any details you enter in the "Tax Residence Address" will be used for tax purposes only and will not be used to update your registered details.

If any of the information about your tax residency changes, you are required to provide the Company with a new, updated, self-certification form within 30 days of such change in circumstances.

## JOINT HOLDERS (IF RELEVANT)

All joint holders are treated as separate holders for these tax purposes and every joint holder is required to give an Individual Tax Residency Self-Certification. If any one or more is reportable, the value of the whole shareholding will be reported for all joint shareholder(s).

If we do not receive the self-certification form from each joint shareholder, then the whole holding will be treated as undocumented and all holders (including those who have completed the self-certification form) will be reported to the relevant tax authorities.

**If you have any remaining questions about how to complete this form or about how to determine your tax residency status you should contact your tax adviser.**

## DEFINITIONS

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (**The Common Reporting Standard**) <http://www.oecd.org/tax/automatic-exchange/common-reporting-standard/> contains definitions for the terms used within it. However, the following definitions are for general guidance only to help you in completing this form.

### "Account Holder"

The Account Holder is either the person(s) whose name(s) appears on the share register of a Financial Institution. Or where Link Group holds the shares on your behalf, the person whose name appears on the register of entitlement that Link Group maintains.

### "Country/Countries of residence for tax purposes"

You are required to list the country or countries in which you are resident for tax purposes, together with the tax reference number which has been allocated to you, often referred to as a **tax identification number (TIN)**. Special circumstances (such as studying abroad, working overseas, or extended travel) may cause you to be resident elsewhere or resident in more than one country at the same time (dual residency). The country/countries in which you might be obliged to submit a tax return are likely to be

your country/countries of tax residence. If you are a US citizen or hold a US passport or green card, you will also be considered tax resident in the US even if you live outside the US.

### **"Tax Identification Number or TIN"**

The number used to identify the shareholder in the country of residence for tax purposes.

Different countries (or jurisdictions) have different terminology for this and could include such as a National Insurance number, social security number or resident registration number. Some jurisdictions that do issue TINs have domestic law that does not require the collection of the TIN for domestic reporting purposes so that a TIN is not required to be completed by a shareholder resident in such jurisdictions. Some jurisdictions do not issue a TIN or do not issue a TIN to all residents.

### **"US Citizen"**

- All US citizens. An individual is a citizen if that person was born in the United States or if the individual has been naturalized as a US citizen.
- You can also be a US citizen, even if born outside the United States if one or both of your parents are US citizens.

**If you have any questions about these definitions or require further details about how to complete this form then please contact your tax adviser.**

**NOTHING IN THIS DOCUMENT CAN BE CONSIDERED TO BE TAX ADVICE.**

## **QUESTIONS & ANSWERS**

### **Why are you writing to me and asking for a "Tax Residency Self Certification"?**

The governments of more than 90 countries around the world have agreed to exchange tax related information. These governments have passed similar sets of laws to enable the Automatic Exchange of Information (**AEOI**). The full list of countries involved can be seen at: [www.oecd.org/tax/transparency/AEOI-commitments.pdf](http://www.oecd.org/tax/transparency/AEOI-commitments.pdf)

Additionally, the United States has over 100 similar agreements with many countries referred to as the 'Foreign Account Tax Compliance Act'.

The legislation can vary slightly from jurisdiction to jurisdiction, but at a high level, it requires Financial Institutions to:

- Identify existing Holders that may be resident (for tax purposes) in other participating jurisdictions. Then contact any such Holders and request that they complete a "Tax Residency Self Certification" form.
- Obtain a "Tax Residency Self Certification" form for all new Holders.
- Identify holders who move from one jurisdiction to another and request that they complete a "Tax Residency Self Certification" form.
- Identify Holders who have payments sent to a different jurisdiction.
- Submit a return to the Financial Institution's "local" tax authority on an annual basis. As an example for a company incorporated in the UK, then the local tax authority would be HM Revenue & Customs (HMRC).
- Follow up on any non-responders at least annually for at least 3 years.

The "local" tax authority will pass information onto the tax authority in the relevant jurisdiction. As an example the tax authority in the US is the Inland Revenue Service (IRS), so HMRC will exchange information with IRS.

#### **Where can I find out more information about the legislation?**

The legislation is quite complex and you may wish to speak to your tax adviser.

The web site of your local tax authority will contain more information e.g. HMRC for the UK; the IRS for the US; Jersey Income Tax Department for Jersey, etc.

Additionally, the web site of The Organisation for Economic Co-operation and Development (OECD) gives further information.

#### **What happens if I do not complete the form?**

In the annual report that the Financial Institution sends to their local tax authority you will be shown as 'Undocumented'.

The local tax authority will collate the responses from all of its financial institutions and pass that information onto the relevant local tax authority for the jurisdictions identified.

Link Group is not able to comment on what action the tax authority for the jurisdiction will take.

#### **What if I am a Tax Resident in 2 or more countries?**

The self-certification form allows for up to 4 tax residencies to be recorded.

#### **I do not pay tax or I do not know which country I am tax resident in**

Please refer to your local tax authority or tax adviser.

#### **I do not have a tax identification number**

Please refer to your local tax authority or tax adviser.

Note that different countries call their tax identification numbers using alternative terminology. As an example in the UK it would be a National Insurance number.

#### **I have already completed a W8 or W9 form. Do I still need to complete a "Tax Residency Self Certification"?**

Yes. The US legislation governing W8/W9 forms overlaps with US FATCA legislation.

#### **What is classed as my Tax Residence Address?**

Please refer to your local tax authority or tax adviser.

In addition, you may wish to consider: Where you are a citizen with a passport; Your residential home address in a country and unrestricted right of entry back into that country once you depart.

#### **Joint Holders**

When there are multiple holders on an account, then every joint holder must complete a Tax Residency Self Certification and every joint holder will receive a letter in their own right. The letter will be sent to the registered address recorded for the holding.

Joint holders are treated as separate holders for these tax purposes. If any one of the joint holders is reportable, the value of the whole shareholding will be reported for all of the joint shareholder(s).



If we do not receive a validly completed self-certification for each joint shareholder, the whole shareholding will be treated as "undocumented" and all shareholders (including those who have completed the self-certification form) will be reported to the relevant tax authorities.

**I have given a different address for tax purposes; will the registered address of my shareholding be altered?**

No. The details on the Self Certification form are for tax purposes only. If you want to alter any of the registered details relating to your investment, then you need to call Link Group on 0371 664 0321; calls to the Helpline are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales.