THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take or the contents of this document, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank, solicitor, accountant, or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 (the "FSMA") if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your holding of Ordinary Shares in Bluefield Solar Income Fund Limited (the **Company**), please send this document, together with the Form of Proxy, as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold any part of your holding of Ordinary Shares in Bluefield Solar Income Fund Limited, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

A copy of this document, which comprises a prospectus and circular relating to Bluefield Solar Income Fund Limited in connection with the issue of New Ordinary Shares and/or C Shares in the Company, prepared in accordance with the Guernsey Prospectus Rules 2008 and the Prospectus Rules of the Financial Conduct Authority made pursuant to section 73A of the FSMA, has been filed with the Financial Conduct Authority in accordance with Rule 3.2 of the Prospectus Rules.

The Company and the Directors, whose names appear on page 42 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all the New Ordinary Shares to be issued pursuant to the Initial Placing and Offer and the Placing Programme to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all the C Shares to be issued pursuant to the Placing Programme to be admitted to the standard segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that that admission of the New Ordinary Shares to be issued pursuant to the Initial Placing and the Offer will become effective, and that dealings in such New Ordinary Shares will commence on 27 November 2015. It is expected that admission of the New Ordinary Shares and/or C Shares to be issued pursuant to the Placing Programme will become effective, and that dealings in such New Ordinary Shares and/or C Shares will commence, during the period from 28 November 2015 to 25 October 2016.

Bluefield Solar Income Fund Limited

(A company incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended, with registered no. 56708)

Issues of up to 250 million New Shares by way of an Initial Placing and Offer for Subscription and subsequent Placing Programme

and

Admissions to the Official List and to trading on the main market for listed securities

and

Notice Extraordinary General Meeting

Sponsor, Broker and Financial Adviser
Numis Securities Limited

Notice of an Extraordinary General Meeting of the Company to be held at Heritage Hall, PO Box 225, Le Marchant Street, St Peter Port, Guernsey GY1 4HY on 17 November 2015 at 10.05 a.m. (or, if later, as soon as practicable following the conclusion of the Company's annual general meeting convened for the same day) is set out at the end of this document. The Initial Issue and the Placing Programme described in this document are conditional upon Shareholder approval of the special resolution to be proposed at the Extraordinary General Meeting.

Shareholders will find enclosed a Form of Proxy for use in relation to the Extraordinary General Meeting. To be valid, the Form of Proxy should be completed, signed and returned so as to be received by the Company's UK Transfer Agent, Capita Registrars, 34 Beckenham Road, Beckenham, Kent BR3 4TU as soon as possible but, in any event, so as to arrive not later than 48 hours before the time appointed for the Extraordinary General Meeting or any adjournment of that meeting. If you have a query concerning this document or the Extraordinary General Meeting, please telephone Capita Asset Services on 0371 664 0321 or if calling from outside the UK on +44 (0) 208 639 3399. 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. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security training purposes.

Neither the Ordinary Shares nor the C Shares are dealt on any other recognised investment exchange and no applications for the Ordinary Shares or the C Shares to be traded on such other exchanges have been made or are currently expected.

The Company is a registered closed-ended collective investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and the Registered Collective Investment Scheme Rules 2015 issued by the Guernsey Financial Services Commission (**GFSC**). The GFSC, in granting registration, has not reviewed this document but has relied upon specific warranties provided by Heritage International Fund Managers Limited.

Neither the GFSC nor the States of Guernsey Policy Council takes 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.

Numis Securities Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company in connection with the Initial Issue and the Placing Programme, and other arrangements as described in this document and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Numis Securities Limited or for advising any such person in connection with the Initial Issue, the Placing Programme and other arrangements as described in this document.

This document may not, subject to certain exceptions, 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 or any member state of the EEA (other than the United Kingdom, Ireland and Luxembourg and any such other member states where marketing is permitted pursuant to the AIFM Directive from time to time). This document does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, New Ordinary Shares and/or C Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements or undue burden on the Company, Numis or the Investment Adviser. The offer and sale of New Ordinary Shares and/or C Shares has not been and will not be registered under the applicable securities laws of the United States, Australia, Canada, Japan or the Republic of South Africa or any member state of the EEA (other than the United Kingdom, Luxembourg and Ireland). Subject to certain exceptions, neither New Ordinary Shares nor C Shares may be offered or sold within the United States, Australia, Canada, Japan or the Republic of South Africa or to any US Person or any national, resident or citizen of the United States, Australia, Canada, Japan or the Republic of South Africa.

The attention of all investors outside the United Kingdom is drawn to Part XIII (Notices to Overseas Investors) of this document.

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

The attention of potential investors is drawn to the Risk Factors set out on pages 19 to 36 of this document.

This document is dated 26 October 2015.

CONTENTS

SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A-E (A.1-E.7).

This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted into the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

Section A – Introduction and Warnings		
Element	*Disclosure requirement*	*Disclosure*
A.1	Warning	This summary should be read as an introduction to this document. Any decision to invest in the securities should be based on consideration of the full text of this document by the investor. Where a claim relating to the information contained in this document is brought before a court, the plaintiff investor might, under the national legislation of a member state of the European Union, have to bear the costs of translating this document before the legal proceedings are initiated. Civil liability attaches only to those persons who are responsible for this summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document or it does not provide, when read together with the other parts of this document, key information in order to aid investors when considering whether to invest in such securities.
A.2	Use of prospectus by financial intermediaries	Not applicable. The Company has not given its consent to the use of this document for the resale or final placement of New Ordinary Shares or C Shares by financial intermediaries.
Section B – Issuer		
Element	*Disclosure requirement*	*Disclosure*
B.1	Legal and commercial name	The issuer's legal and commercial name is Bluefield Solar Income Fund Limited.
B.2	Domicile/Legal Form/ Legislation/Country of Incorporation	The Company was incorporated with limited liability in Guernsey under the Companies (Guernsey) Law, 2008, as amended, on 29 May 2013 with registered number 56708, to be a closed-ended investment company.
B.5	Group structure	The Company is the ultimate holding company of the Group. The Company currently makes its investments through Bluefield SIF Investments Limited, its wholly-owned UK subsidiary.
B.6	Major shareholders	So far as is known to the Company, as at the close of business on 23 October 2015 (the latest practicable date prior to publication of this document) the following registered holdings representing a direct or indirect interest of five per cent, or more of the Company's issued share capital were recorded on the Company's share register:

		Shareholder / **Number of Ordinary Shares** / **Percentage of issued Ordinary Shares** Newton Investment Management Ltd 40,780,438 14.65 BlackRock Inc 29,861,988 10.73 Sarasin &Partners LLP 28,837,231 10.36 CCLA Investment Management Ltd 23,504,281 8.44 L&P Group (consisting of L&P Ethical Investment Initiative Ltd and L&P Alternative Investments Ltd) 15,520,016 5.57 None of the Shareholders have different voting rights, nor is the Company directly or indirectly owned or controlled by any one person.
B.7	Historical financial information	The selected financial information of the Group as at 30 June 2014 for the period from 29 May 2013 to 30 June 2014 and as at 30 June 2015 for the financial year ended on that date is set out below and has been extracted without material adjustment from the Group's audited financial information for its first two accounting periods ended on 30 June 2014 and 30 June 2015 respectively. **As at or for the period from 29 May 2013 to 30 June 2014 (audited)** / **As at or for the financial year ended 30 June 2015 (audited)** Net assets (£'000) 147,676 288,391 Net asset value per Ordinary Share (pence) 102.96 103.58 Total operating income (£'000) 12,039 19,540 Net (loss)/profit (£'000) 9,444 15,151 Earnings per Ordinary Share (pence) 6.99 6.71 Dividend per Ordinary Share (pence) 4.00 7.25 Other than IPO Admission, the investment of the net proceeds from the IPO, the 2014 Tap Issue and the 2014 Placing Programme in accordance with the Company's published investment policy and the entry into and utilisation of the Acquisition Facility to acquire additional assets in accordance with the investment policy, there has been no significant change to the Group's financial condition and operating results during the period covered by the historical financial information. Other than an increase in the unaudited profit before tax by £5,734,726 for the period from 1 July 2015 to 30 September 2015 compared to the corresponding period in the preceding year, there has been no significant change in the financial condition and operating results of the Group since 30 June 2015.
B.8	Pro forma financial information	Not applicable – there is no pro forma financial information in this document.
B.9	Profit forecast	Not applicable – there are no profit forecasts included in this document.
B.10	Qualifications in the audit report	Not applicable – the audit reports on the historical financial information contained in this document are not qualified.

B.11	Working capital insufficiency	Not applicable – the Company is of the opinion that the working capital available to the Company is sufficient for the Group's present requirements (that is, for at least the next 12 months from the publication date of this document).
B.34	Investment policy	*Investment Objective* The Company seeks to provide Shareholders with an attractive return, principally in the form of quarterly income distributions, by investing in a portfolio of large scale UK based solar energy infrastructure assets. *Investment Policy* The Group invests in a diversified portfolio of solar energy assets, each located within the UK, with a focus on utility scale assets and portfolios on greenfield, industrial and/or commercial sites. The Group targets long life solar energy infrastructure, expected to generate stable renewable energy output over a 25 year asset life. Individual solar assets or portfolios of solar assets will be held within SPVs into which the Group will invest through equity and/or debt instruments. The Group typically seeks legal and operational control through direct or indirect stakes of up to 100 per cent. in such SPVs, but may participate in joint ventures or minority interests where this approach enables the Group to gain exposure to assets within the Company's investment policy which the Group would not otherwise be able to acquire on a wholly-owned basis. The Group may make use of non-recourse finance at the SPV level to provide leverage for specific solar energy infrastructure assets or portfolios provided that at the time of entering into (or acquiring) any new financing, total non-recourse financing within the portfolio will not exceed 50 per cent. of the Gross Asset Value. In addition, the Group may, at holding company level, make use of short term debt finance to facilitate the acquisition of investments, but such short term debt (when taken together with the SPV finance noted above) will also be limited so as not to exceed 50 per cent. of the Gross Asset Value. No single investment in a solar energy infrastructure asset (excluding any third party funding or debt financing in such asset) will represent, on acquisition, more than 25 per cent. of the Net Asset Value. The portfolio provides diversified exposure through the inclusion of not less than five individual solar energy infrastructure assets. Diversification is achieved across various factors such as grid connection points, individual landowners and leases, providers of key components (such as PV panels and inverters) and assets being located across various geographical locations within the United Kingdom. The Group aims to derive a significant portion of its targeted return through a combination of the sale of ROCs and FiTs (or any such regulatory regimes that replace them from time to time). Both such regimes are currently underwritten by UK Government policy providing a level of ROCs or FiTs fixed for 20 years for accredited projects and each regime currently benefits from an annual RPI escalation. The Group also intends,

		where appropriate, to enter into power purchase agreements with appropriate counterparties, such as co-located industrial energy consumers or wholesale energy purchasers. *Listing Rule investment restrictions* The Company currently complies with the investment restrictions set out below and will continue to do so 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 must, 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; and • 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. As required by the Listing Rules, any material change to the investment policy of the Company will be made only with the approval of the Financial Conduct Authority and Shareholders.
B.35	Borrowing limits	Aggregate Group Debt will be limited to 50 per cent. of the Gross Asset Value calculated immediately following the drawdown of the latest amount of Aggregate Group Debt. On 11 June 2014, the Company, Holdco and The Royal Bank of Scotland plc entered into a £50 million acquisition facility. As at 23 October 2015 (being the latest practicable date prior to the publication of this document) the amount drawn down under the Acquisition Facility was £32.8 million, together with other structured debt, giving a gearing level of approximately 14.43 per cent. against the Group's Gross Asset Value (calculated as at 30 September 2015).
B.36	Regulatory status	The Company is a closed-ended investment company registered with the Guernsey Financial Services Commission under the Registered Collective Investment Scheme Rules 2015. Registered schemes are regulated by the Commission insofar as they are required to comply with the requirements of the Rules, including requirements to notify the Commission of certain events and the disclosure requirements of the Commission's Prospectus Rules 2008. The Company is not regulated or authorised by the Financial Conduct Authority but is subject to the Listing Rules applicable to closed-ended investment companies. The Company is categorised as an internally managed non-EU AIF for the purposes of the AIFM Directive. As such neither the Company nor the Investment Adviser is required to be authorised as an alternative investment fund manager under the AIFM Directive.

B.37	Typical investor	Typical investors in the Company are expected to be institutional and sophisticated investors and private clients. The New 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 New Ordinary Shares and/or C Shares is part of a diversified investment programme and who fully understand and are willing to assume the risks involved in such an investment programme.
B.38	Investment of 20 per cent. or more in single underlying asset or investment company	Not applicable. No single asset represents more than 20 per cent. of Gross Asset Value.
B.39	Investment of 40 per cent. or more in single underlying asset or investment company	Not applicable. No single asset represents more than 40 per cent. of Gross Asset Value.
B.40	Service providers	*Investment Adviser* Bluefield acts as the investment adviser to the Company under the Investment Advisory Agreement dated 25 June 2013, as amended by a supplemental agreement dated 22 October 2015. Under the terms of the Investment Advisory Agreement, the Investment Adviser is entitled to the following fees: *Base fee* An annual base fee which is accrued daily and is calculated on a sliding scale as follows: • 1.00 per cent. of the NAV up to and including £100 million; and • 0.80 per cent. of the NAV above £100 million and up to and including £200 million; and • 0.60 per cent. of the NAV above £200 million. The base fee is payable monthly in arrears in cash, and is calculated on the prevailing NAV reported in the most recent quarterly NAV calculation as at the date of payment. The base fee is subject to clawback as described below under "Variable fee". *Variable Fee* If in any year (excluding the Company's first financial year), the Company fails to achieve its distribution target of 7 pence per year (as increased annually in line with RPI), the Investment Adviser will repay its base fee in the proportion by which the actual annual distribution is less than the target distribution, subject to a maximum repayment in any year equal to 35 per cent. of the base fee. The repayment will be split equally across the four quarters in the following financial year and will be set off against the monthly fee payable to the Investment Adviser at the relevant quarter end in that following financial year. If in any year (excluding the Company's first financial year), the Company exceeds its distribution target of 7 pence per year (as increased annually in line with RPI), the Investment Adviser will

		be entitled to a variable fee equal to 30 per cent. of the excess, subject to a maximum variable fee in any year equal to 1 per cent. of the NAV as at the end of the relevant financial year. The variable fee shall be satisfied by the issue of Ordinary Shares to the Investment Adviser at an issue price equal to the prevailing NAV per Ordinary Share. The Ordinary Shares issued to the Investment Adviser in satisfaction of the variable fee will be subject to a three year lock-up period, with one-third of the relevant Ordinary Shares becoming free from the lock-up on each anniversary of their issue. The Board may, at its discretion, satisfy such issue of Ordinary Shares to the Investment Adviser by way of a new issue of Ordinary Shares, a sale of Ordinary Shares out of treasury or through purchases in the market. *Asset management services* Bluefield Services Limited (**BSL**), a company under common control of the Investment Adviser has been or will be appointed to provide asset management services to each SPV pursuant to standalone asset management agreements entered into between BSL and each SPV. The provision of these services is being implemented over a period of 12 months commencing from May 2015. The asset management services provided by BSL to each SPV cover three main areas: (i) project operation and monitoring services; (ii) financial management and reporting services; and (iii) loan administration. Under each asset management services agreement, BSL is entitled to a one time set up fee of £3,000 and a monthly fee of £2,500.. *Administration and secretarial arrangements* The Company's administrator is Heritage International Fund Managers Limited, which has been appointed to provide administrative and company secretarial services to the Company pursuant to an administration agreement dated 25 June 2013. Such services include maintaining the Company's books and records, ensuring the Company's compliance with certain regulatory requirements, calculating the Net Asset Value per Ordinary Share and monitoring the register of Shareholders. Under the terms of the Administration Agreement, the Administrator is entitled to an annual fee in respect of administration, corporate secretarial, corporate governance, regulatory compliance and continuing Listing Rule obligations calculated on a sliding scale fee based on Net Asset Value, subject to a minimum fee of £100,000 per annum. In addition, the Administrator will receive an annual fee of £5,000 and £2,500 for the provision of a compliance officer and MLRO respectively. The Administrator will, in addition, be entitled to recover third party expenses and disbursements. *Registrar and UK Transfer Agent* The Company has appointed Capita Registrars (Guernsey) Limited to act as registrar in relation to the transfer and settlement of Ordinary Shares held in uncertificated form and as UK transfer agent. The Registrar is entitled to an annual fee from the Company equal to £1.65 per shareholder per annum or part thereof; with a minimum of £7,500 per annum. Other registrar activity will be

		charged for in accordance with the Registrar's normal tariff as published from time to time. *Receiving Agent* The Company has appointed Capita Registrars to act as the Company's receiving agent for the purposes of the Offer pursuant to the Receiving Agent Agreement. The Receiving Agent is entitled to receive various fees for services provided in relation to the Offer for Subscription, subject to a minimum fee of £9,000, as well as reasonable out-of-pocket expenses.
B.41	Regulatory status of investment manager	The Investment Adviser, Bluefield Partners LLP, is a limited liability partnership incorporated in England under registered number OC342071 and is regulated and authorised by the Financial Conduct Authority under registration number 507508.
B.42	Calculation of Net Asset Value	The Investment Adviser produces fair market valuations of the Group's investments on a semi-annual basis as at 31 December and 30 June each year, which form the basis of the Net Asset Value calculation prepared by the Administrator. The Administrator, in conjunction with the Investment Adviser, calculates the Net Asset Value and the Net Asset Value per Ordinary Share as at the end of each quarter of the Company's financial year. The Board approves each quarterly Net Asset Value calculation. These calculations are reported quarterly to Shareholders. The Net Asset Value is also announced as soon as possible on a Regulatory Information Service, by publication on the Company's website, www.bluefieldsif.com, and on www.londonstockexchange.com.
B.43	Cross liability	Not applicable – the Company is not an umbrella collective investment undertaking and as such there is no cross liability between classes or investment in another collective investment undertaking.
B.44	Key financial information	The Company has commenced operations and historical financial information is included in this document.
B.45	Portfolio	The Company's Current Portfolio as at 23 October 2015 (being the latest practicable date prior to the publication of this document) comprises the following 24 investments (unaudited):

Project	Location	ROC Band	MWp	Commissioning Date	PPA Counter-party	Total Commitment (£m)
Ashlawn	Somerset	1.4	6.70	March 2015	EDF	7.56
Betingau	Glamorgan	1.6	9.99	March 2014	NEAS	11.20
Capelands	Devon	1.4	8.40	February 2014	Axpo	8.62
Durrants	Isle of Wight	FiT	5.00	July 2011	Smartest Energy	6.80
Elms	Oxfordshire	1.4	29.00	March 2015	EDF	32.70
Goosewillow	Oxfordshire	1.6	10.64	March 2014	EDF	11.88
Goosewillow Extension	Oxfordshire	1.6	6.29	March 2014	EDF	7.33
Goshawk (10x Thames Water and Adnams)	Surrey/ Oxfordshire/ Suffolk	FiT	1.20	Between July 2011 and September 2012	British Gas	2.36
Hall Farm	Norfolk	1.6	11.45	March 2014	EDF	13.37
Hardingham	Norfolk	1.6	14.84	December 2013	Smartest Energy	17.00
Hardingham Extension	Norfolk	1.4	5.24	December 2013	Smartest Energy	5.75

		<table><tr><th>Project</th><th>Location</th><th>ROC Band</th><th>MWp</th><th>Commissioning Date</th><th>PPA Counter-party</th><th>Total Commitment (£m)</th></tr><tr><td>Hill Farm</td><td>Oxfordshire</td><td>1.6</td><td>15.19</td><td>March 2014</td><td>EDF</td><td>17.30</td></tr><tr><td>Hoback</td><td>Hertfordshire</td><td>1.4</td><td>17.52</td><td>December 2014</td><td>EDF</td><td>19.00</td></tr><tr><td>Kite</td><td>Oxfordshire</td><td>FiT</td><td>0.82</td><td>Between March 2012 and July 2012</td><td>E-On</td><td>2.20</td></tr><tr><td>North Beer</td><td>Cornwall</td><td>2.0</td><td>6.90</td><td>March 2013</td><td>EDF</td><td>9.35</td></tr><tr><td>Pentylands</td><td>Wiltshire</td><td>1.6</td><td>19.20</td><td>March 2014</td><td>Smartest Energy</td><td>21.40</td></tr><tr><td>Peregrine</td><td>Berkshire</td><td>FiT</td><td>0.43</td><td>Between March and July 2012</td><td>Good Energy</td><td>1.20</td></tr><tr><td>Redlands</td><td>Somerset</td><td>1.4</td><td>6.20</td><td>February 2015</td><td>Axpo</td><td>6.37</td></tr><tr><td>Rove</td><td>Wiltshire</td><td>1.4</td><td>12.75</td><td>February 2015</td><td>EDF</td><td>13.95</td></tr><tr><td>Salhouse</td><td>Norfolk</td><td>1.3</td><td>4.99</td><td>1 October 2015</td><td>EDF</td><td>5.61</td></tr><tr><td>Saxley</td><td>Hampshire</td><td>1.6</td><td>5.90</td><td>March 2014</td><td>Smartest Energy</td><td>7.05</td></tr><tr><td>Sheppey</td><td>Kent</td><td>1.4</td><td>10.60</td><td>June 2014</td><td>EDF</td><td>12.00</td></tr><tr><td>Trethosa</td><td>Cornwall</td><td>FiT</td><td>4.80</td><td>1 September 2015</td><td>EDF</td><td>5.78</td></tr><tr><td>West Raynham</td><td>Norfolk</td><td>1.4</td><td>49.99</td><td>March 2015</td><td>EDF</td><td>55.54</td></tr><tr><td>Total</td><td></td><td></td><td>264.04</td><td></td><td></td><td>301.1</td></tr></table>
B.46	Net Asset Value	As at 30 September 2015, the Company's NAV per Ordinary Share (unaudited) was 104.79 pence.
		Section C – Securities
Element	*Disclosure requirement*	*Disclosure*
C.1	Type and class of securities being offered and/or admitted to trading	The Company intends to issue new Ordinary Shares of no par value in the capital of the Company (the **New Ordinary Shares**) pursuant to the Initial Placing and the Offer, and New Ordinary Shares and/or C Shares of no par value in the capital of the Company pursuant to the Placing Programme. The ISIN of the New Ordinary Shares is GG00BB0RDB98 and the SEDOL is BB0RDB9. The ISIN of the C Shares is GG00BRB2W527 and the SEDOL is BRB2W52.
C.2	Currency of the securities issue	The New Ordinary Shares and the C Shares are denominated in Sterling.
C.3	Number of Ordinary Shares issued	As at the close of business on 23 October 2015 (the latest practicable date prior to the publication of this document), the Company has 278,417,224 Ordinary Shares of no par value in issue.
C.4	Description of the rights attaching to the securities	The Company's issued share capital currently comprises only Ordinary Shares. The rights attaching to the existing and New Ordinary Shares and which will attach to the C Shares, if any are issued under the Placing Programme, are set out below: Ordinary Shares The rights attaching to the Ordinary Shares are uniform in all respects and they form a single class for all purposes. Shareholders have uniform voting rights and rights to dividends or distributions in proportion to the number of Ordinary Shares they hold at any time (save for any dividends or other distributions made or paid on the Ordinary Shares by reference to a record date prior to the issue of the relevant new Ordinary Shares). C Shares The C Shares will not carry the right to receive notice of, or attend or vote at any general meeting of the Company except in certain limited circumstances. Holders of C Shares will be

		entitled to participate in a winding up of the Company or on a return of capital in relation to the surplus assets of the Company attributable to the C Shares. Holders of the C Shares will be entitled to receive such dividends as the Directors may resolve to pay to such holders out of the Company's assets attributable to the C Shares (as determined by the Directors). The C Shares will convert into Ordinary Shares on the basis of the Conversion Ratio calculated as at the Calculation Time which will be no later than six months after the date of issue of such C Shares. The Conversion Ratio will be calculated, on an investment basis, by reference to the net asset values attributable to the C Shares and the Ordinary Shares. The Ordinary Shares to be issued following conversion of C Shares will rank *pari passu* with the Ordinary Shares then in issue for dividends and other distributions declared, made or paid by reference to a record date falling after the Conversion Time.
C.5	Restrictions on the free transferability of the securities	The Board may refuse to register a transfer of any share, which is not fully paid, or on which the Company has a lien, provided that this would not prevent dealings in the shares from taking place on an open and proper basis on the London Stock Exchange. In addition, the Board may decline to transfer, convert or register a transfer of any share in certificated form or (to the extent permitted by the Guernsey USRs and the CREST Rules) uncertificated form: (a) if it is in respect of more than one class of shares; (b) if it is in favour of more than four joint transferees; (c) if applicable, if it is delivered for registration to the registered office of the Company or such other place as the Board may decide, not accompanied by the certificate for the shares to which it relates and such other evidence of title as the Board may reasonably require; or (d) the transfer is in favour of any Non-Qualified Holder. For these purposes a Non-Qualified Holder means any person whose ownership of Ordinary Shares may: (i) cause the Company's assets to be deemed "plan assets" for the purposes of ERISA or the Internal Revenue Code; (ii) cause the Company to be required to register as an "investment company" under the Investment Company Act (including because the holder of the shares is not a "qualified purchaser" as defined in the Investment Company Act); (iii) cause the Company to register under the Exchange Act, the Securities Act or any similar legislation; (iv) cause the Company not being considered a "Foreign Private Issuer" as such term is defined in rule 36-4(c) under the Exchange Act; or (v) cause the Company to be a "controlled foreign corporation" for the purposes of the Internal Revenue Code, or may cause the Company to suffer any pecuniary disadvantage (which will include any excise tax, penalties or liabilities under ERISA or the Internal Revenue Code, including as a result of the Company's failure to comply with FATCA as a result of the Non-Qualified Holder failing to provide information concerning itself as requested by the Company in accordance with its Articles).
C.6	Admission	Applications will be made to the FCA and the London Stock Exchange for all the New Ordinary Shares to be issued pursuant to the Initial Placing and the Offer and pursuant to the Placing Programme to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's

		main market for listed securities. Applications will be made to the FCA and the London Stock Exchange for all the C Shares to be issued pursuant to the Placing Programme to be admitted to the standard segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that that admission of the New Ordinary Shares to be issued pursuant to the Initial Placing and the Offer will become effective, and that dealings in such New Ordinary Shares will commence on 27 November 2015. It is expected that admission of the New Ordinary Shares and/or C Shares to be issued pursuant to the Placing Programme will become effective, and that dealings in such New Ordinary Shares and/or C Shares will commence, during the period from 28 November 2015 to 25 October 2016. Neither the Ordinary Shares nor the C Shares are dealt on any other recognised investment exchange and no applications for the Ordinary Shares or the C Shares to be traded on such other exchanges have been made or are currently expected.
C.7	Dividend policy	The Company and its Board have set a target of growing dividends from a 7p per Ordinary Share base level for 2014/15 by RPI and this would lead to a target dividend for the Company's third financial year in 2015/16 of 7.07p. However, as a result of good operational performance in 2014/15 the Board declared an increased dividend of 7.25p for that financial year, and subject to operating performance in the current year being within its expectations the Board intends to maintain that level of dividend.(1) 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 April, July, October and January. The target return should not be taken as an indication of the Company's expected future performance or results over any period. The target return is a target only and there is no guarantee that it can or will be achieved and it should not be seen as an indication of the Company's expected or actual return. Accordingly, investors should not place any reliance on the target return in deciding whether to invest in the New Ordinary Shares or the C Shares.
Section D – Risks		
Element	*Disclosure requirement*	*Disclosure*
D.2	Key information on the key risks that are specific to the issuer	The key risk factors relating to the Company, its investment policy and its investment portfolio are: • if at any point the international community was to withdraw, reduce or change its support for the increased use of energy from renewable sources, including solar PV, for whatever reason, this may have a material adverse effect on the support of national or international authorities in respect of the promotion of the use of energy from renewable sources, including in respect of solar PV generation in the

(1) These are targets only and not profit forecasts. There can be no assurance that these targets can or will be met and it should not be seen as an indication of the Company's expected or actual results or returns. Accordingly, investors should not place any reliance on these targets in deciding whether to invest in the Ordinary Shares or the C Shares or assume that the Company will make any distributions at all.

		UK. If this reduces the value of the green benefits that solar PV power operators are entitled to it would have a material adverse effect on the Group if applied retrospectively to operating projects acquired by the Group in accordance with the investment policy. In addition, unexpected success in other areas of renewable energy (such as renewable heat) may reduce pressure on national governments to develop renewable electricity production. This may affect the Company's future investment opportunities; • a decline in the market price of electricity could materially adversely affect the Group's revenues and financial condition. Similarly, a decline in the costs of other sources of electricity generation, such as fossil fuels or nuclear power, could reduce the wholesale price of electricity and thus the price achieved for electricity generated by solar PV parks; • solar PV assets and plants rely upon adequate solar radiation as "feedstock" for the purposes of producing power. Although there is statistical evidence that variance in annual solar radiation is statistically relatively low compared to 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 global warming 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 investments may be located. Such changes could lead to a reduction in the electricity generated which would have a material adverse effect on the Group's business, financial position, results of operations and business prospects. Such changes, perceived or otherwise, could also make solar PV less attractive as an investment opportunity and so impair the Company's potential returns which could have a material adverse effect on the Group's business, financial position, results of the operations and business prospects; • it is anticipated that a significant proportion or potentially all of the solar PV assets to be acquired by the Group will be located on commercial and agricultural properties among others, to which entitlement will be secured through a lease agreement. Reliance upon a third party owned property gives rise to a range of risks including deterioration in the property during the investment life, 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; • construction of solar assets is likely to result in reliance upon services being delivered by one or more contractors. Whilst the performance of contractor services will usually be guaranteed, any such guarantees are expected to be limited in their scope and quantum and may not always cover the full loss of profit incurred by a project. Failure of a contractor or change in a contractor's financial circumstances may among other things result in the relevant 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 warranty or bank guarantee;

		• 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 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 ability of the Company to achieve its investment objective depends upon the ability of the Investment Adviser to identify, select and execute investments which offer the potential for satisfactory returns. The availability of suitable investment opportunities will depend, in part, upon conditions in the UK solar PV markets and the level of competition for assets in the solar PV sectors. Whilst the Company has certain rights to acquire solar PV assets in accordance with the Pipeline Agreement, there can be no assurance that the Investment Adviser will be able to identify and execute a sufficient number of opportunities to enable the Company to achieve its investment objective and to grow its portfolio of solar PV assets to the level it is seeking; and • the Company's target dividend and future distribution growth will depend on the Company's underlying investment portfolio and its ability to pay dividends in accordance with the Companies Law. Any change or incorrect assumption in relation to the dividends or interest or other receipts receivable by the Company (including in relation to projected power prices, the amount of electricity generated by the Group's assets, availability and operating performance of equipment used in the operation of the solar PV parks within the Company's portfolio and the tax treatment of distributions to Shareholders) may reduce the level of distributions received by Shareholders.
D.3	Key information on the key risks specific to the securities	The key risk factors relating to the Company's shares are: • there can be no guarantee that a liquid market in the Ordinary Shares or 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 NAV per Ordinary Share or C Share, as applicable), or at all; • the Ordinary Shares and/or the C Shares may trade at a discount to NAV per Ordinary Share or per C Share, as applicable, and Shareholders may be unable to realise their investments through the secondary market at NAV per Ordinary Share or C Share, as applicable; • the Company's ability to pay dividends and repurchase its Ordinary Shares or its C Shares is governed by the Companies Law which requires the Company to satisfy a solvency test; and • the C Shares do not carry the right to receive notice of, or to attend or vote at any general meeting of the Company, except in certain limited circumstances.

Section E – Offer		
Element	*Disclosure requirement*	*Disclosure*
E.1	Net proceeds and costs of the Issues	Up to 250 million New Ordinary Shares and/or C Shares in aggregate are available for issue under the Initial Placing and Offer and the Placing Programme. The net proceeds of the Initial Placing and Offer and the Placing Programme are dependent on: (i) the aggregate number of New Ordinary Shares and/or C Shares issued pursuant to the Initial Placing and Offer and the Placing Programme; and (ii) the applicable price at which any New Ordinary Shares are issued. Assuming 50 million New Ordinary Shares are issued pursuant to the Initial Placing and Offer at the Initial Issue Price of 102 pence per New Ordinary Share, the Company would raise £51.0 million of gross proceeds from the Initial Issue. After deducting expenses (including any commission) of approximately £1.0 million which are indirectly borne by investors, the net proceeds of Initial Placing and Offer would be approximately £50.0 million. Assuming 200 million New Ordinary Shares are issued pursuant to the Placing Programme at an Issue Price of 102 pence per New Ordinary Share the Company would raise £204.0 million of gross proceeds from the Placing Programme. After deducting expenses (including any commission) of approximately £2.7 million, the net proceeds of the Placing Programme would be approximately £201.3 million.
E.2a	Reason for offer and use of proceeds	The Initial Placing and Offer and the Placing Programme are being put in place in order to enable the Company to raise funds for the purpose of achieving the investment objective of the Company. The Board intends to use the net proceeds of the Initial Placing and Offer and any Placings under the Placing Programme, firstly, to repay outstanding debt drawn down under the Acquisition Facility used to acquire assets in the Group's portfolio at the time of the relevant issue and, secondly, to finance further acquisitions of assets in accordance with the Group's investment objective and policy. As at the date of this document, the amount drawn down under the Acquisition Facility was approximately £32.8 million.
E.3	Terms and conditions of the offer	***The Initial Placing and Offer*** The Company, the Investment Adviser and Numis have entered into the Sponsor and Placing Agreement, pursuant to which Numis has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for the New Ordinary Shares made available pursuant to the Initial Placing. The target size of the Initial Placing and Offer is £50 million through the issue of approximately 50 million New Ordinary Shares at an Initial Issue Price of 102 pence each. The maximum number of New Shares that can be issued pursuant to the Initial Placing and Offer is 250 million. New Shares are available to certain categories of investors under the Offer. The Offer is only being made in the UK but,

		subject to applicable law, the Company may allot New Shares on a private placement basis to applicants in other jurisdictions. Applications under the Offer must be for a minimum subscription amount of £1,000 and thereafter in multiples of £100, although the Board may accept applications below the minimum amount stated above at their absolute discretion. Completed Application Forms, accompanied by a cheque or banker's draft in Sterling made payable to "Capita Registrars Ltd re: BSIF OFS A/C" and crossed "A/C payee" for the appropriate sum must be posted to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Kent BR3 4TU so as to be received by no later than 11.00 a.m. on 23 November 2015. For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 23 November 2015. Applicants choosing to settle via CREST may input an MTM instruction from 12.00 p.m. on 25 November 2015 and in any event, the MTM instruction must be input and available for settlement by no later than 12.00 p.m. on 27 November 2015 or such later date that is determined by the Company. The Initial Placing and Offer is conditional upon, *inter alia*: • Initial Admission occurring by not later than 8.00 a.m. on 27 November 2015 (or such later time and date as the Company and Numis may agree, not being later than 31 December 2015); • the Sponsor and Placing Agreement having become unconditional in all respects (save as to each subsequent Admission under the Placing Programme) and not having been terminated in accordance with its terms prior to Initial Admission; and • the disapplication of pre-emption rights in connection with the Initial Placing and Offer and Placing Programme by the passing of the Resolution. If any of these conditions are not met, the Initial Placing and Offer will not proceed. There is no minimum size of the Initial Placing and Offer and the Initial Placing and Offer are not being underwritten. **The Placing Programme** Following the completion of the Initial Placing and Offer, the Directors intend to implement the Placing Programme to enable the Company to raise additional capital in the period from the Initial Admission to 25 October 2016. Under the Placing Programme, the Company is proposing to issue up to 250 million New Shares (less the number of New Ordinary Shares issued pursuant to the Initial Issue) at the applicable Placing Programme Price. New Shares issued pursuant to the Placing Programme may be issued as Ordinary Shares and/or C Shares at the discretion of the Directors. Each Subsequent Placing is conditional upon, *inter alia*: • Admission of the New Shares issued pursuant to each Subsequent Placing at such time and on such date as the

		Company and Numis may agree prior to the closing of that Subsequent Placing, not being later than 25 October 2016; • the Sponsor and Placing Agreement having become unconditional in respect of the relevant Subsequent Placing and not having been terminated in accordance with its terms prior to the relevant Admission; • a valid supplementary prospectus being published by the Company if required by the Prospectus Rules; and • the disapplication of pre-emption rights in connection with the Initial Placing and Offer and Placing Programme by the passing of the Resolution. If any of these conditions are not met in respect of any Subsequent Placing, the relevant issue of New Shares will not proceed. There is no minimum size of the Placing Programme and the Subsequent Placings will not be underwritten.
E.4	Material interests	Not applicable. No interest is material to the issue of New Ordinary Shares or C Shares under Initial Issue or the Placing Programme.
E.5	Name of person selling securities/ lock up agreements	Not applicable. There are no persons offering to sell shares in the Company and there are no lock-up agreements in place.
E.6	Dilution	Existing Shareholders are not obliged to participate in the Initial Issue or the Placing Programme. If the maximum number of New Ordinary Shares available to be issued by the Company under the Initial Issue and the Placing Programme are issued, an existing Shareholder holding Ordinary Shares representing 10 per cent. of the Company's issued Ordinary Share capital as at the date of this document, who does not participate in the Initial Issue or the Placing Programme, would, following completion of the Initial Issue and the Placing Programme, hold Ordinary Shares representing approximately 5.3 per cent. of the Company's enlarged issued Ordinary Share capital following conclusion of the Initial Issue and the Placing Programme.
E.7	Expenses charged to the investor	Not applicable. There are no expenses charged directly to investors by the Company in addition to the applicable issue price for the relevant New Ordinary Shares and/or C Shares for which they subscribe.

RISK FACTORS

Investment in the New Ordinary Shares and/or the C Shares carries a high degree of risk, including the risks in relation to the Company, the New Ordinary Shares and the C Shares referred to below, which could materially and adversely affect the Company's business, financial condition and results. An investment in the New Ordinary Shares and/or the C Shares should not be regarded as short-term in nature. Potential investors should review this document carefully and in its entirety and consider consulting an independent financial adviser who specialises in advising on the acquisition of shares and other securities before investing in New Ordinary Shares and/or the C Shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss which may result. In particular, the New 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 New Ordinary Shares and/or C Shares is part of a diversified investment programme and who fully understand and are willing to assume the risks involved in such an investment programme.

Typical investors in the Company are expected to be institutional and sophisticated investors and private clients.

Prospective investors should note that the risks relating to the Company, its investments, the New Ordinary Shares and the C Shares summarised in the section of this document headed "Summary" are the risks that the Company believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the New Ordinary Shares and/or the 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 below.

The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the New Ordinary Shares and/or the C Shares and should be used as guidance only. Additional risks and uncertainties relating to the Company that are not currently known to the Company, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Company's business, prospects, results of operations and financial position and, if any such risk should occur, the price of the New Ordinary Shares and/or the C Shares may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the New Ordinary Shares and/or the C Shares is suitable for them in the light of the information in this document and their personal circumstances.

RISKS RELATING TO THE INDUSTRY IN WHICH THE GROUP INVESTS

Risks relating to political support for solar PV

In the event that international, EU and/or UK obligations and incentives to reduce greenhouse gas emissions and support the production of renewable energy were to decline, be withdrawn or change, whether on a prospective or retrospective basis for any reason, including as a result of the fiscal status of sovereign states or the adoption of a different energy mix or the discovery or development of a more preferred fuel and/or energy source, this could have a material adverse effect on the business, financial position, results of operations and future growth prospects of the Group as well as returns to investors.

Risks relating to Electricity Market Reform

Electricity Market Reform (**EMR**) is the reform of the GB Electricity market initiated by the Energy Act 2013 with the aim of incentivising secure, low carbon electricity, improving the security of the GB's electricity supply and improving affordability for consumers. To maintain investor confidence, the UK Government has sought to ensure that benefits already granted to operating renewable power generation stations are exempted from future regulatory change.

As part of EMR, from 1 April 2017, the Renewables Obligation (**RO**) will be closed to new accreditation of renewable energy projects (subject to certain, limited grace periods which will

permit some projects to be accredited after that date). The Renewables Obligation was closed early to new accreditation of solar PV projects above 5 MW from 1 April 2015 (subject to certain limited grace periods). Subject to the outcome of the DECC Consultation and UK parliament approval, the Renewables Obligation will be closed early to the new accreditation of solar PV projects of 5 MW and below from 1 April 2016 (subject to limited grace periods to be approved by the UK parliament). In addition, as part of EMR, ROCs issued from 1 April 2017 until 31 March 2027 will be replaced with "fixed price certificates". DECC has indicated that the intention is to maintain levels and length of support for existing participants under the Renewables Obligation once a participant is accredited but there is no guarantee that this will be the case. DECC intends to launch a banding review in Autumn 2015 of the level of support under the Renewables Obligation for new solar PV projects of 5 MW and below. Further, change in law provisions may be triggered under pre-existing power purchase agreements as a result of EMR, giving counterparties an opportunity to re-open or even terminate some PPAs.

EMR will be relevant to future investments made by the Group, particularly where future investments are supported under CfD FiTs, which are described further below. Elements of EMR have been legislated for under the Energy Act 2013 and secondary legislation (some of which has not yet entered into force). Some projects that are not or cannot be accredited under the Renewables Obligation may not be entitled to CfD FiT support.

Solar PV projects will have to compete for a CfD FiT in annual allocation rounds, and as such it is less certain that they will receive support under a CfD FiT than under the Renewables Obligation. Budget may not be made available to support certain technologies in future allocation rounds. In the event of certain breaches of the CfD FiT agreement, which include insolvency, failure to meet milestones or conditions precedent, non-payment to the CfD counterparty and failure to meet metering obligations, the CfD FiT may be terminated.

These factors are particularly significant given that from 1 April 2015 new solar PV projects above 5 MW that did not qualify for DECC's grace period criteria and (subject to the outcome of the DECC consultation and UK parliament approval) from 1 April 2016 new solar PV projects of 5 MW and below will not be eligible for support under the Renewables Obligation (subject to certain limited grace periods which for solar PV projects of 5 MW and below remain subject to UK parliament approval) and will have to apply for support under a CfD FiT rather than the Renewables Obligation.

Risks relating to the Levy Control Framework

The Levy Control Framework has been established to make sure that DECC achieves its fuel poverty, energy and climate change goals in a way that is consistent with economic recovery and minimising the impact on consumer bills. Where the cost of renewables support regimes exceed the relevant cap, support levels for projects under these regimes may require to be adjusted. This could negatively impact returns to the Group, where the Group has invested in projects which take advantage of such regimes and, consequently, investors. From 1 August 2015, generators are now unable to sell levy exemption certificates (**LECs**) for power generated, with an impact of £5.54/MWh of electricity generated by each qualifying renewable energy plant.

Risks relating to the sale price of electricity

Generally, the price at which a solar PV plant sells its electricity is determined by market prices in the UK. A decline in the costs of other sources of electricity generation, such as fossil fuels or nuclear power, could reduce the wholesale price of electricity. A significant amount of new electricity generation capacity becoming available could also reduce the wholesale price of electricity. A number of broader regulatory changes to the electricity market (such as changes to integration of transmission allocation and changes to energy trading and transmission charging) are being implemented across the EU which could have an impact on electricity prices.

A decline in the market price of electricity could materially adversely affect the price of electricity generated by solar PV assets and thus the Group's business, financial position, results of operations and business prospects. There are a variety of means to mitigate the risk of declines in the wholesale price of electricity through trading strategies (including long term PPAs). The Group will adopt a

trading strategy that balances risks of reductions in market prices against opportunities to access enhanced returns, but this strategy will not necessarily be effective.

Risks relating to the price of green benefits

Generally, the level of subsidy (FiTs or the price at which ROCs can be sold) is determined by UK renewable energy policies. The value of green benefits can therefore be affected by changes in the political will to support solar PV and other factors such as the cost of solar PV equipment for new solar PV projects which have not been accredited. Though FiTs generally provide for fixed rates of return, the level of the FiT is subject to degression. The value of ROCs under the Renewables Obligation fluctuates with market supply and demand for ROCs. Subject to the outcome of the DECC Consultation on the FiT scheme which opened on 27 August 2015 and UK parliament approval, the level of FiT generation tariffs will be significantly reduced from January 2016.

There are a variety of means to mitigate the risk of declines in the price of green benefits through trading strategies (including long term PPAs). The Group has adopted a trading strategy that balances risks of reductions in the price of green benefits against opportunities to access enhanced returns, but this strategy will not necessarily be effective. Reductions in levels or market value of green benefits available could have a material adverse effect on the Group's business, financial position, results of operations and business prospects. ROC prices could be materially and adversely affected by an imbalance of supply and demand should the actual amount of renewable regeneration exceed expectation on the annual Renewables Obligation target.

Risks relating to grandfathering

The UK has generally revised its policies supporting the renewable energy sector from time to time in order to reduce the benefits available to new renewable power generation projects. However, there is significantly less risk of support being reduced, withdrawn or changed for existing support-accredited projects than there is for new projects which have not yet been accredited for support. In order to maintain investor confidence, the UK has sought to ensure that the benefits already granted to operating renewable power generation projects are exempted from future regulatory change. This practice is referred to as "grandfathering". Grandfathering is a policy decision and, as such, there is no guarantee that the practice of grandfathering will be continued. There have been court judgements that support the view that the Government should not make retrospective changes that reduce support for existing accredited projects, though such judgements may not be followed in the future or their precedent may be overturned by legislation. The Group is likely to suffer a loss if the UK was to abandon the practice of grandfathering and apply adverse retrospective changes to the levels of support for operating projects in which the Group has a financial interest which in turn could have a material adverse effect on the Group's business, financial position, results of operation and business prospects. Subject to the outcome of the DECC Consultation and UK parliament approval, the grandfathering of support levels cannot be guaranteed for new solar PV projects of 5 MW and below which were not accredited under the RO scheme as of 22 July 2015 (except for those projects benefitting from a certain grace period). This proposal will not affect projects which are already accredited under the RO.

Risks relating to the price of solar PV equipment

The price of solar PV equipment can increase or decrease. This would generally be expected to lead to corresponding changes in the value of green benefits available to new renewable power generation projects, though may not always do so. The price of solar equipment can be influenced by a number of factors, including the price and availability of raw materials, demand for PV equipment and any import duties that may be imposed on PV equipment. Changes (described further below) have recently been made to the duties imposed on solar PV modules in the EU. This legislation may have an impact on the costs for solar PV projects in the future.

Changes in the cost of solar PV equipment could have a material adverse effect on the Group's ability to source projects that meet its investment criteria and consequently its business, financial position, results of operations and business prospects.

Risks relating to gas power generation

In late 2012 the Government issued its Gas Generation Strategy. Modelling detailed in the strategy suggests that as much as 26GW of new gas plant could be required by 2030, in part to replace older coal, gas and nuclear plant as it retires from the system. The development of new gas power projects may discourage the deployment of renewable technologies. This could be exacerbated by the uptake of significant volumes of domestically-produced shale gas or any other factor that results in falls in wholesale gas prices. Any significant move to gas power generation or other modern gas technologies, and away from renewable technologies, greater than that currently assumed in the market, could negatively impact the Group's prospects and performance.

RISKS RELATING TO GROUP'S BUSINESS

Weather related risks

The profitability of a solar PV asset is dependent on the meteorological conditions at the particular site. Accordingly, the Group's revenues will be dependent upon the meteorological conditions at the solar PV plants owned by the Group. Variations in meteorological conditions occur as a result of 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.

Solar PV assets and plants rely upon adequate solar radiation as "feedstock" for the purposes of producing power. Although there is statistical evidence that variance in annual solar radiation is statistically relatively low compared to 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 global warning 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 Group's solar PV assets may be located. Such changes could lead to a reduction in the electricity generated which would have a material adverse effect on the Group's business, financial position, results of the operations and business prospects. Such changes, perceived or otherwise, could also make solar PV less attractive as an investment opportunity and so impair the Company's potential returns which could have a material adverse effect on the Group's business, financial position, results of operations and business prospects.

Natural events may reduce electricity production below expectations

Events beyond the control of the Company, such as acts of God (including fire, flood, earthquake, storm, hurricane 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 solar PV assets, which could have a material adverse effect on the Group's business, financial position, results of operations and business prospects. Earthquakes, lightning strikes, tornadoes, extreme winds, severe storms, wildfires and other unfavourable weather conditions or natural disasters may damage, or require the shutdown of, solar modules or related equipment or facilities which will decrease electricity production levels and 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 Group's revenues which would have a material adverse effect on the Group's business, financial position, results of operations and business prospects.

Risks relating to the Group's construction and operation and maintenance contracts

The Company expects to rely on third-party professionals and independent contractors and other companies to provide the required construction and operational and maintenance support services throughout the construction and operating phases of the solar PV assets in the Group's investment portfolio. If such contracted parties are not able to fulfil their contractual obligations, the Group 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. Any such legal action or financial difficulty, breach of contract or delay in services by these third-party professionals and independent contractors could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's ability to invest in and operate solar PV projects could be adversely affected if the contractors with whom the Group wishes to work do not have sufficient capacity to work with the Group on its chosen projects. In addition, if a contractor's work was not of the requisite quality, this could have an adverse effect on projects in which the Group is invested and might not only reduce financial returns but could adversely affect the Group's reputation.

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

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 of solar PV assets by the Group, 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 construction of a plant, for example, faulty components or insufficient structural quality, may not be evident at the time of acquisition 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 construction warranties. Investors' attention is also drawn to the risk factor under the heading "Risks relating to counterparty risk" below.

In addition, operational solar PV plants 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 solar PV 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 solar modules, beyond the warranted degradation, on an acquired or developed asset would have a direct effect on the yields produced by a solar PV plant and, as a consequence, could have a material adverse effect on the Group's business, financial condition and results of operations. Furthermore, should recourse against the vendor of such an asset or supplier of such modules be sought by the Company, this could also have a material adverse effect on the Group's business, financial condition and results of operations.

Risks relating to the operational life span of solar panels

Although ground-mounted PV installations have few moving parts and operate, generally, over long periods with minimal maintenance, PV power generation employs solar panels composed of a number of solar cells containing a PV material. These panels are, over time, subject to degradation since they are exposed to the elements and carry an electrical charge, and will age accordingly. In addition, the solar radiation which produces solar electricity carries heat with it that may cause the components of a PV solar panel to become altered and less able to capture irradiation effectively.

There is a risk of equipment failure due to wear and tear, design error or operator error with respect to each PV facility and this failure, among other things, could adversely affect the returns to the Company.

Risks relating to property and environmental matters

A significant proportion or potentially all of the solar PV assets acquired by the Group are and will be located on commercial and agricultural properties, to which entitlement will be secured through a lease agreement. Reliance upon a third party owned property gives rise to a range of risks including deterioration in the property during the investment life, 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. 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.

Environmental laws and regulations may have an impact on the Group's activities. It is not possible to predict accurately the effects of future changes in such laws or regulations on the Group'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 Group's operations that may have a material adverse effect on the Group's results of operations or financial condition.

To the extent there are environmental liabilities arising in the future in relation to any sites owned or used by a solar PV plant operating company (such as the Group) 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 of the value of the total investment in the relevant solar PV asset.

Risks relating to harm to the natural environment

All utility-scale solar energy facilities require relatively large areas for solar radiation collection when used to generate electricity at utility-scale (meaning facilities with a generation capacity of 20 MW or greater). Solar facilities may interfere with existing land uses and could impact the use of nearby specially designated areas such as wilderness areas, areas of critical environmental concern, or special recreation management areas.

PV panels may contain hazardous materials, and although they are sealed under normal operating conditions, there is the potential for environmental contamination if they were damaged or improperly disposed of following decommissioning. Proper planning and good maintenance practices can be used to minimise impacts from hazardous materials, however, there is no guarantee that this will always be the case.

The Company cannot guarantee that its solar PV assets will not be considered a source of nuisance, pollution or other environmental harm or that claims will not be made against the Group in connection with its solar PV assets and their effects on the natural environment. This could also lead to increased cost of compliance and/or abatement of the generation activities for affected solar PV assets.

Risks relating to health and safety

The construction and maintenance of solar PV assets may pose health and safety risks to those involved. The construction and maintenance of solar PV 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 solar PV 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 business, financial position, results of operations and business prospects of the Group.

Risks relating to maintaining the connections of solar PV assets to the electricity transmission and distribution network

PV facilities must be and remain connected to the distribution or transmission grid to sell their energy output. Therefore, the Group is dependent on electricity transmission facilities owned by third parties to sell the electricity produced by its solar PV assets. Typically, the Group will not be the owner of, nor

will it be able to control, the transmission or distribution facilities except those needed to interconnect its solar PV plants to the electricity network.

Accordingly, a solar PV plant must 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.

In addition, in the event that the transmission or distribution facilities break down without fault of the distribution or transmission grid operator, the Company may be unable to sell its electricity and this could have a material adverse effect on the Group's business, financial status and results of operations. The circumstances in which compensation, if any, would be payable are limited and the amounts payable are unlikely to be sufficient to cover any losses of revenue. Thus, the Group would have to rely on business interruption insurance to compensate for its losses. Business interruption insurance is likely to have a minimum claim amount and not all losses sustained by the Group may be recovered.

Risks relating to constraint or curtailment

A risk inherent to the connection to any electricity network is the limited recourse a generator has to the network operator if the solar PV plant is constrained off the system. In certain specified circumstances, National Grid Electricity Transmission plc, as system 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 Group may 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.

Direct participation in the balancing mechanism entails a certain degree of risk for renewable projects because generation cannot be easily programmed, therefore limiting a project's ability to adequately use the bid/offer balancing mechanism; therefore, the solar PV plants that can participate in the balancing mechanism normally transfer the balancing functions and risks to the offtaker.

Risks relating to solar PV assets in construction

The Company's investment policy is to acquire both grid connected operating solar PV assets and pre-construction assets. In the event an investment is made prior to the completion of construction there is a risk that the project will fail to be grid-connected, will be connected after a Renewables Obligation scheme deadline resulting in failure to qualify for ROCs or reduced ROCs, will be connected after a degression of the level of FiTs under the FiT scheme, or is not able to get support under a CfD FiT (either because its application for a CfD FiT is not successful or because the CfD FiT is terminated). Delays in project construction may result in a reduction in returns caused by a delay in the project generating revenue. While the Group will typically seek to ensure that strong warranties and termination rights are in place with the contractor to compensate the Group for such losses, there can be no guarantee that these will be sufficient to cover such losses or that such payments will be received.

Construction of solar PV assets is likely to result in reliance upon services being delivered by one or more contractors. Whilst the performance of contractor services will usually be guaranteed with penalties linked to underperformance, and potentially in some cases backed by guarantees, any such guarantees are expected to be limited in their scope and quantum and may not always cover the full loss of profit incurred by a project. Failure of a contractor or a change in a contractor's financial circumstances may among other things result in the relevant 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 warranty or bank guarantee.

A limited number of third-party suppliers may be contracted for the supply of certain components, inverters and modules for new projects. These suppliers may not be able to meet agreed minimum

levels of supply. If the Group fails to develop or maintain relationships with these and other suppliers, the Group may not be able to secure a supply of the components, inverters and modules in the required quantities or quality, at competitive and cost effective prices, on a timely basis or at all which may lead to delays or eventual project abortion. Failure to obtain a continued supply of components, inverters and modules on competitive terms or at all could harm the Group's ability to develop solar PV assets, and consequently its financial condition and results of operations.

In addition, the relevant suppliers may be unable to meet their warranty obligations in respect of acquired or developed projects with respect to modules or inverters, in whole or in part, due to production, economic or financial difficulties or for other reasons. Such circumstances could cause the Group to experience increased costs and harm its reputation, any of which could have a material adverse effect on the business, prospects, financial condition or results of operations of the Group.

A change in prices for certain key components, in particular modules and inverters, may have a material adverse effect on the business, prospects, financial condition and results of operations of the Group.

Risks relating to changes in public attitude

The solar PV sector currently relies upon specific regulatory support to provide preferential treatment, including premium prices on electricity production, for solar PV producers. Such support has been legislated in a number of countries based upon growing public and political support for solar and other renewable energy sources, due in particular to increasing public and political concerns about climate change, environmental sustainability and energy security. A change in public attitude to solar PV or renewable energy installations may result in an increase in security and regulatory risk to operating solar PV installations, for example due to a resentment of the cost burden created by solar PV production relative to alternative conventional energy sources, to the appearance or environmental impact of solar PV plants or to the benefits to certain investor groups, perceived to be granted at the cost of the public. Whilst the Company will seek to ensure that regulatory support is robust and appropriate measures are taken in respect of each project to encourage local support and to manage security risks, there can be no guarantee that changes in public attitude will not result in a loss of actual or perceived value of investments.

Risks relating to modelling future returns

Solar PV asset acquisitions rely on large and detailed financial models to support their valuations. There is a risk that errors may be made in the assumptions or methodology used in a financial model. In such circumstances the returns generated by any solar PV asset acquired by the Group may be different to those expected.

The Company cannot guarantee the accuracy of 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, in particular, forecasters look at long-term data and there can be short term fluctuations.

The returns from operating efficiency improvements and energy sale could be less attractive than originally anticipated. The returns from operating efficiencies are dependent upon, *inter alia*, the level of technical inefficiency and avoidable losses in acquired sites, the Group's ability to identify and rectify such inefficiencies in a cost-effective manner and its ability to achieve the cost savings on operational expenses. The Group may find, following acquisition of its assets, that such operating efficiency improvements are not achievable or that the returns are less than the Directors' current expectations.

Solar PV assets acquired by the Group may fail to meet the Company's expectations and forecasts. The prices at which the Group acquires 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 Group are acceptable. Should the operation and economics of the assets fall short of the Group's expectations, there could be a material adverse effect on the returns to the Company.

Risks relating to RPI and CPI

The revenues and expenditure of solar PV assets are frequently partly or wholly subject to indexation, typically with reference to RPI and the Company's target distributions are linked to RPI. Revenues under CfD FiTs are linked to CPI. DECC has proposed to link FiTs to CPI rather than RPI, which is subject to a consultation and UK parliament approval. RPI and CPI are the result of factors outside the control of the Company and, in absolute terms, the Company's distributions would be adversely affected by deflation.

The basis of calculation CPI and RPI may be subject to change in the future. Should the basis of calculation of RPI or CPI be changed in the future, including *inter alia* through changes to the constituent basket of retail goods and services or through changes to the formulae used at the elementary aggregate level, such a change may reduce future published RPI or CPI figures, which could have an adverse effect on the absolute level of the Company's distributions.

Risks relating to counterparty risk

The Group will be exposed to third party credit risk in several instances, including, without limitation, with respect to contractors who may be engaged to construct or operate assets held by the Group, property owners or tenants who are leasing roof or ground space to the Company for the locating of the assets, or the off-takers of energy and green benefits supplied, banks who may provide guarantees of the obligations of other parties or who may commit to provide leverage to the Group at a future date, insurance companies who may provide coverage against various risks applicable to the Group's assets (including the risk of terrorism or natural disasters affecting the assets) and other third parties who 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 insurance

Solar PV plant operators generally take out insurance to cover the costs of repairs and business interruption although not all risks are insured or insurable. For example, losses as a result of force majeure, natural disasters, 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 business, financial position, results of operations and business prospects of the Group.

In cases of frequent damage, insurance contracts might be amended or cancelled by the insurance company. If insurance premia levels increase, the Group 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 premia cost could have an adverse effect on the Group's business, financial position, result of operations and business prospects.

Risk of adverse actions against solar assets

Solar photovoltaic assets may constitute a high risk target for terrorist acts, political actions or vandalism, in light of their strategic profile and nature. If the assets do become targeted by such terrorist or other political actions, they may, for an indefinite period of time, be unable to generate further electricity and/or their value may be adversely affected, in turn, heightening any potential loss from third-party claims against the Group for such failures.

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

RISK RELATING TO ACQUISITION OF SOLAR PV ASSETS

Competition for further acquisitions

The Group faces significant competition for assets in solar power sectors. Large European and international utility companies are participants in the solar power sectors, and many of the Group's competitors have a long history in the solar power sectors, as well as greater financial, technical and human resources. Competition for appropriate investment opportunities may therefore increase, thus reducing the number of opportunities available to, and adversely affecting the terms upon which investments can be made by, the Group, and thereby limiting the growth potential of the Group.

Such competition may cause a decrease in expected profit margins, and adversely affect the Company's market share. Increased competition could therefore have a material adverse effect on the business, financial condition, results of operation and prospects of the Group. The ability of the Company to achieve its investment objective depends upon the Company identifying, selecting and executing investments which offer the potential for satisfactory returns. The availability of suitable investment opportunities will depend, in part, upon conditions in the UK solar power markets. There can be no assurance that the Group will be able to identify and secure further investments that satisfy its investment criteria. Failure to identify and secure such investments could have a material adverse effect on the business, financial condition, results of operation and prospects of the Company.

Whilst through the Investment Adviser the Company has a right of first refusal to acquire certain solar PV assets sourced by the Investment Adviser through exclusivity arrangements there can be no assurance that sufficient assets will be made available to the Group under these pipeline arrangements or that the Group will be able to identify and execute a sufficient number of investments from other sources to achieve its investment objective and/or to expand its portfolio of renewable energy projects as currently intended.

Risks relating to the acquisition of the pipeline assets

The Group may fail to acquire all or any of the assets which may be made available to it under the pipeline arrangements referred to above. There can be no guarantee that the Group will ultimately be able to invest in further solar PV assets on satisfactory terms, or at all.

The making of any investment will be conditional upon, amongst other things, receipt of all necessary consents, approvals, authorisations and permits, the Company deciding to proceed with the acquisition, the Company being able to finance its commitment to 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.

Risks relating to due diligence

Prior to the acquisition of a solar PV asset or any entity that holds a solar PV asset or rights to construct a solar PV 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 solar PV asset or entity, as the case may be, and/or such risks may not be adequately protected against in the acquisition documentation. The Group may acquire assets with unknown liabilities and without any recourse, or with limited recourse, with respect to unknown liabilities. However, if an unknown liability was later asserted against the acquired 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 Group.

Technical analysis of the build quality, lifecycle costs and asset life will be undertaken by the technical advisers appointed by the Group in connection with any proposed acquisition. It is not intended that the equipment and systems purchased will rely substantially on new technology and it is expected that they will have a track record in other solar PV 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 the ability to finance further investments and enhance Net Asset Value growth

Once the net proceeds of the Initial Placing and Offer and the Placing Programme are fully invested and the Acquisition Facility has been fully drawn down, to the extent that it does not have cash reserves available for investment, the Group would need to finance further investments either by additional borrowings (whether by new borrowing or refinancing existing debt) or by the Company issuing further Ordinary Shares or C Shares. There can be no assurance that the Group may be able to borrow or refinance on reasonable terms or that there will be a market for further Ordinary Shares or C Shares. If new borrowing or a share issuance is required for any further investments the Group does not intend to commit to any such further investments unless such commitment is conditional upon further borrowings or a share issuance, as required. Any borrowing by the Company will have to comply with the Group's limits on borrowing in its investment policy.

The ability of the Company to deliver enhanced returns and consequently realise expected real Net Asset Value growth may be dependent on access to debt facilities. Please see the risk entitled "Risks relating to leverage" below for further information. There can be no assurance that the Group will be able to borrow on reasonable terms or at all.

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

The Group may not always be able, for structural or commercial reasons, to acquire a 100 per cent. equity interest in the 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.

RISKS RELATING TO THE COMPANY AND ITS SHARES

Past performance

The past performance of the Company and the investments held by the Group or managed and monitored by the Investment Adviser or its associates is not a reliable indication of the future performance of the investments held (and to be held) by the Group.

Risks relating to the Company's share price performance and target returns and dividends

Prospective investors should be aware that the distributions made to Shareholders will comprise amounts periodically received by the Company in repayment of, or being distributions on, its investment in solar PV assets, including distributions of operating receipts of project entities. Although it is envisaged that receipts from solar PV assets over the life of the Company will generally be sufficient to fund such periodic distributions and repay the value of the Company's original investments in the solar PV assets over the long-term, this is based on estimates and cannot be guaranteed.

The Company's target returns and 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 returns and dividends may be correspondingly reduced. In particular, there is no assurance that the Company will achieve its stated policy on returns and dividends or distributions. The target return is not a profit forecast and should not be taken as an indication of the Company's expected future performance or results over any period. The target return is a target only and there is no guarantee that it can or will be achieved and it should not be seen as an indication of the Company's expected or actual return. Accordingly, investors should not place any reliance on the target return in deciding whether to invest in the Ordinary Shares or the C Shares.

The Company's target dividend and future distribution growth 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 solar PV assets within the Company's portfolio, ability to make distributions to Shareholders (especially where the Group has a minority interest in a particular solar PV asset) 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 Group and its investments may reduce or delay the distributions received by investors.

To the extent that there are impairments to the value of the Group'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.

Market value of investments and valuations

Returns from the Group's investments will be affected by the price at which they are acquired. The value of these investments will be (amongst other risk 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 assets of the Group are saleable readily or otherwise.

All calculations made by the Administrator, in conjunction with 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 Administrator and the Investment Adviser will evaluate all information and data provided by the companies in which the Group has invested, they 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 NAV may be materially different from these half yearly estimates.

Liquidity

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

Discount

The New Ordinary Shares and/or the C Shares may trade at a discount to NAV per Ordinary Share and/or the C Share and Shareholders may be unable to realise their investments through the secondary market at a price equal to, or greater than NAV per Ordinary Share and/or the C Share. The New Ordinary Shares and/or the C Shares may trade at a discount to Net Asset Value for a variety of reasons, including market conditions or to the extent investors undervalue the activities of the Investment Adviser or discount the Company's valuation methodology and its judgments of value. Gilt and corporate bond yields are at historically low levels and a rise in such yields may make the Company's target returns less attractive, which could cause or increase such discount. While the Board may seek to mitigate any discount to NAV per Ordinary Share and/or the C Share through discount management mechanisms, 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.

Risks relating to leverage

It is likely that the SPVs in which the Group invests will be financed by a combination of share capital, shareholder loans and third party project financing debt which will be secured against the relevant Special Purpose Company and its assets but which will otherwise be non-recourse to the Group or

its other assets. In addition, the Group may, at holding company level, make use of short term debt finance to facilitate the acquisition of investments which the Company would subsequently seek to refinance through further capital raisings. In connection with the provision of short term financing, it is possible that a lender may require security by way of floating charges over the Group's assets.

The Company and Holdco have entered into a £50 million acquisition facility agreement with RBS (the **Acquisition Facility**) and intend to extend the Acquisition Facility up to an amount necessary and appropriate to fund pipeline acquisitions that the Company, Holdco and the relevant lender(s) agree. Further details of the proposed extensions of the Acquisition Facility are set out under the heading "Acquisition Facility" in Part II of this document. If the Acquisition Facility is extended to £90 million (being the amount for which non-binding terms have been signed with RBS), £75 million would become due for repayment on the existing maturity of the Acquisition Facility (being June 2017) and £15 million would become due for repayment on the first anniversary of the extension (expected to be the end of November or beginning of December 2016). If the Acquisition Facility is extended above £90 million it is expected the repayment profile of the extended Acquisition Facility would be structured on a broadly similar basis, with two thirds or more of the debt becoming due for repayment in June 2017 and the balance being due for earlier repayment on the first anniversary of the relevant extension. It is intended that the Acquisition Facility is likely to be repaid, in normal market conditions through further equity fundraisings or through refinancing through the introduction of long term structural debt. The use of long term structural debt will require the amendment of the Company's existing investment policy and will be subject to the approval of the FCA and Shareholders by the passing of an ordinary resolution. There is no guarantee that this will be the case and if the Group failed to raise additional funds through equity fundraisings, or through refinancing through long term structural debt (including because Shareholders do not approve the requisite amendment to the Company's investment policy), before the maturity date of the relevant facility (as described above), it would need to repay the debt from its existing cashflows and/or to realise assets to fund repayment, either of which would have a material adverse effect on the Group's financial position, results of operations, business prospects and returns to investors, including its ability to achieve its target dividend distributions and total returns.

The use of leverage may offer the opportunity for enhanced returns to the Group, and thus additional capital growth, but it also adds risk to the investment. For example changes in interest rates may affect the relevant SPV's or the Group's returns. Interest rates are sensitive to many factors including government policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits and regulatory requirements, amongst others, beyond the control of the relevant SPV or the Group. The performance of an SPV and/or the Group may be affected if it does not limit exposure to changes in interest rates through an effective hedging strategy. There can be no assurance that such arrangements will be entered into or that they will be sufficient to cover such risk.

If an SPV fails to service the project financing debt secured over its assets or breaches any of its covenants under the financing documents, the lender may take control of the relevant SPV and its underlying assets. Although the lender's recourse will be limited to the relevant SPV, enforcement of the lender's security could adversely affect the Net Asset Value and the Group's returns may be adversely impacted, including its ability to achieve its dividend targets.

Similarly, if the Group fails to service any debt financing incurred at the holding company level or breaches any of its covenants under the financing documents, the lender may be able to enforce any security provided by the Group over its investments which could involve the lender taking control (whether by possession or transfer of ownership) of one or more of the Group's investments, and this could have an adverse effect on the business, financial position and results of the Group, including its ability to achieve its dividend targets.

Dependence on the Investment Adviser

The ability of the Company to achieve its investment objective depends upon the ability of the Investment Adviser to identify, select and execute investments which offer the potential for satisfactory returns. The availability of suitable investment opportunities will depend, in part, upon conditions in the UK solar PV markets and the level of competition for assets in the solar PV sectors. Whilst the

Company has certain rights to acquire solar PV assets in accordance with the Pipeline Agreement described in Part IV of this document, there can be no assurance that the Investment Adviser will be able to identify and execute a sufficient number of opportunities to enable the Company to achieve its investment objective and to grow its portfolio of solar PV assets to the level it is seeking.

Accordingly, 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.

Conflicts of interest

The Investment Adviser and any of its members, directors, officers, employees, agents and connected persons, 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 potential conflicts of interest with the Company and its investments. Interested Parties may provide services similar to those provided to the Group to other entities and will not be liable to account for any profit earned from any such services. In particular, BER, a company which is under common control with the Investment Adviser, provides project management and other services to special purpose companies in which the Bluefield Development Fund invests. The Special Purpose Companies owning the solar assets developed by the Bluefield Development Fund may be sold to, or funded by the Company in accordance with the pipeline arrangements. On any sale of shares in the Special Purpose Companies, BER will be entitled to 20 per cent. of the profits realised on the sale by the Bluefield Development Fund. Additionally, BSL, a company under common control of the Investment Adviser, provides asset management and other services to the Group, as well as other entities that may give rise to conflicts.

The Investment Adviser and its directors, officers, employees and agents will at all times have due regard to their duties owed to members of the Group and where a conflict arises they will endeavour to ensure that it is resolved fairly. Subject to the arrangements explained above, the Company may (directly or indirectly) acquire securities from or dispose of securities to any Interested Party or any investment fund or account advised or managed by any such person. An Interested Party may provide professional services to members of the Group (provided that no Interested Party will act as auditor to the Company) or hold Ordinary Shares or C Shares and buy, hold and deal in any investments for their own accounts, notwithstanding that similar investments may be held by the Group (directly or indirectly).

An Interested Party may contract or enter into any financial or other transaction with any member of the Group or with any Shareholder or any entity any of whose securities are held by or for the account of the Group, or be interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions to which it is contractually entitled in relation to any sale or purchase of any investments of the Group effected by it for the account of the Group, provided that in each case the terms are no less beneficial to the Group than a transaction involving a disinterested party and any commission is in line with market practice.

RISKS RELATING TO REGULATION AND TAXATION

Legal and regulatory

The solar PV energy sector is subject to extensive legal and regulatory controls, and the Group and each of its solar PV assets must comply with all applicable laws, regulations and regulatory standards which, among other things, require the Group to obtain and maintain certain authorisations, licences and approvals for the construction and operation of the solar PV assets.

The Company must also comply with the provisions of the Companies Law, the Listing Rules and the Disclosure and Transparency Rules. A breach of the Companies Law could result in the Company and/or the Board being fined or the subject of criminal proceedings.

Alternative Investment Fund Managers Directive

The AIFM Directive seeks to regulate alternative investment fund managers and imposes obligations on managers who manage alternative investment funds in the EU or who market shares in such funds to EU investors. In order to obtain authorisation under the AIFM Directive, an AIFM would need to comply with various organisational, operational and transparency obligations, which may create significant additional compliance costs, some of which may be passed to investors in the AIF and may affect dividend returns.

The Company is categorised as an internally managed non-EU AIFM for the purposes of the AIFM Directive and as such neither it nor the Investment Adviser is required to seek authorisation under the AIFM Directive. However, following national transposition of the AIFM Directive in a given EU member state, the marketing of shares in AIFs that are established outside the EU (such as the Company) to investors in that EU member state is prohibited unless certain conditions are met. Certain of these conditions are outside the Company's control as they are dependent on the regulators of the relevant third country (in this case Guernsey) and the relevant EU member state entering into regulatory co-operation agreements with one another.

The Company cannot guarantee that such conditions will continue to be satisfied in the countries in which it has marketed its shares. In cases where the conditions are not satisfied, the ability of the Company to market its shares or raise further equity capital in the EU may be limited or removed. Any regulatory changes arising from implementation of the AIFM Directive (or otherwise) that limit the Company's ability to market future issues of its shares may materially adversely affect the Company's ability to carry out its investment policy successfully and to achieve its investment objective, which in turn may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares.

NMPI Regulations

On 1 January 2014 the Unregulated Collective Investment Schemes and Close Substitutes Instrument 2013 (the **NMPI Regulations**) came into force in the UK. The NMPI Regulations extend the application of the existing UK regime restricting the promotion of unregulated collective investment schemes by FCA authorised persons (such as independent financial advisers) to other "non-mainstream pooled investments" (or **NMPIs**). Since 1 January 2014, FCA authorised independent financial advisers and other financial advisers have been restricted from promoting NMPIs to retail investors who do not meet certain high net worth tests or who cannot be treated as sophisticated investors.

Although consultations on this subject by the FCA had suggested the Company and entities like it would be excluded from the scope of the NMPI Regulations (and thereby capable of promotion to all retail investors), the final NMPI Regulations and guidance from the FCA means that in order for the Company to be outside of the scope of the NMPI Regulations, the Company will need to rely on the exemption available to non-UK resident companies that are equivalent to investment trusts. This exemption provides that a non-UK resident company that would qualify for approval by HMRC as an investment trust were it resident in the UK will be excluded from the scope of the NMPI Regulations. The principal relevant requirements to qualify as an investment trust are that: (1) the Company's business must consist of investing its funds in shares, land or other assets with the aim of spreading investment risk and giving members of the Company the benefit of the results of the management of its funds; (2) the Ordinary Shares must be admitted to trading on a Regulated Market; (3) the Company must not be a close company (as defined in Chapter 2 of Part 10 CTA 2010); and (4) the Company must not retain in respect of any accounting period an amount which is greater than 15 per cent. of its income.

The Board intends to conduct the Company's affairs such that the Company can satisfy requirements (1), (2) and (4) above. It is not anticipated that the Company would be regarded as a close company if it were resident in the UK, although this cannot be guaranteed. On the assumption that the Company is not a close company, it would qualify for approval as an investment trust if it were resident in the UK. The Company will be outside of the scope of the NMPI Regulations for such time as it satisfies the conditions to qualify as an investment trust. If the Company is unable to meet those conditions in the future, for any reason, consideration would be given to applying to the FCA for a waiver of the application of the NMPI Regulations in respect of the Company's Shares.

If the Company becomes a close company or does not, or ceases to, conduct its affairs so as to satisfy the non-UK investment trust exemption to the NMPI Regulations and the FCA does not otherwise grant a waiver, the ability of the Company to raise further capital from retail investors may be affected. In this regard, it should be noted that, whilst the publication and distribution of a prospectus (including this document) is exempt from the NMPI Regulations, other communications by "approved persons" could be restricted (subject to any exemptions or waivers).

Change in accounting standards, tax law and practice

The anticipated taxation impact of the structure of the Group and its underlying investments 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.

Taxation risks

Representations in this document concerning the taxation of Shareholders and the Company are based on law and practice as at the date of this document. These are, in principle, subject to change and prospective investors should be aware that such changes may affect the Company's ability to generate returns for Shareholders and/or the taxation of such returns to Shareholders. If you are in any doubt as to your tax position you should consult an appropriate independent professional adviser.

Any change in the Company's tax status, or in taxation legislation or the taxation regime, or in the interpretation or application of taxation legislation applicable to the Company or the companies or assets comprised in the Company's investment portfolio, could affect the value of the investments held by the Company, the Company's ability to achieve its stated investment objective, the Company's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders.

A number of countries have introduced 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. There is no guarantee such changes will not be introduced in the UK. Any such change could have a material adverse effect on the Group.

Risks relating to interest deductibility

The Group manages its UK tax liabilities by, *inter alia*, relying on tax deductions for interest. There are a number of provisions that could restrict the availability of those tax deductions. UK transfer pricing legislation limits the tax deductibility of interest should any terms of the loans with related parties be considered not to reflect normal arm's length terms which would have been agreed between two independent enterprises. This includes both the rate of interest charged and the amount of the debt. In particular, an entity may be said to be thinly capitalised if it has excessive debt in relation to its arm's length borrowing capacity leading to the possibility of excessive interest deductions. Any restriction to the tax deductibility of interest could result in increased UK corporation tax liabilities for the Group and this could in turn adversely affect the returns to the investors.

On 22 October 2015, HM Revenue & Customs opened a consultation on reforms to the tax deductibility of corporate interest expense. The consultation document notes that, to meet recommendations made by the OECD under Action 4 of its Base Erosion and Profit Shifting project, the UK would need to introduce a new general rule for restricting interest deductibility, constituting a major change to the UK corporate tax regime. The OECD's suggestion is to allow entities to deduct net interest expense only up to a net interest/EBITDA ratio of between 10-30% (or, optionally, up to its group's net interest/EBITDA ratio if this is higher), subject to a de minimis threshold; the consultation seeks input on how the UK should implement these proposals. The consultation document states that if new rules are to be introduced, they are unlikely to come into effect before 1 April 2017.

The Group may fall within the World Wide Debt Cap regime in Part 7 of the Taxation (International and Other Provisions) Act 2010 which could result in a restriction on the amount of finance expense for which tax relief is available based on the Group's worldwide external gross finance expense.

OECD consultations on changes in tax law

Prospective investors should be aware that the OECD published its Action Plan on Base Erosion and Profit Shifting (BEPS) in 2013 and that a public consultation process is still underway. The BEPS project is ongoing, with further consultation and recommendations (in addition to those published on 5 October 2015). Depending on how BEPS is introduced, any changes to tax laws based on recommendations made by the OECD in relation to BEPS may result in additional reporting and disclosure obligations for investors and/or additional tax being suffered by the Company or its underlying subsidiaries which may adversely affect the value of the investments held by the Company, the extent of tax levied on Group revenues and thus the Company's ability to pay dividends and market price of the Ordinary Shares or C Shares.

Offshore funds

Part 8 of the Taxation (International and Other Provisions) Act 2010 contains provision for the UK taxation of investors in offshore funds. Whilst the Company has been advised that it should not be treated as an offshore fund, it does not make any commitment to investors that it will not be treated as one. Investors should note the statements made in this document in respect of discount management and should not expect to realise their investment at a value calculated by reference to NAV per Ordinary Share.

United States tax withholding and reporting under the Foreign Account Tax Compliance Act

Under the FATCA provisions of the US Hiring Incentives to Restore Employment (HIRE) Act, where the Company invests directly or indirectly in US assets, payments to the Company of US-source income after 30 June 2014, gross proceeds of sales of US property by the Company after 31 December 2016 and certain other payments received by the Company after 31 December 2016 will be subject to 30 per cent. US withholding tax unless the Company complies with FATCA. FATCA compliance can be achieved by entering into an agreement with the US Secretary of the Treasury under which the Company agrees to certain US tax reporting and withholding requirements as regards holdings of and payments to certain investors in the Company or, if the Company is eligible, by becoming a "deemed compliant fund". Guernsey has entered into an intergovernmental agreement with the US regarding the implementation of FATCA and under which certain disclosure requirements will be imposed in respect of certain investors in the Company who are residents or citizens of the US. See "FATCA – US-Guernsey Intergovernmental Agreement" on page 94 below for further information. Any amounts of US tax withheld may not be refundable by the Internal Revenue Service (**IRS**). Potential investors should consult their advisors regarding the application of the withholding rules and the information that may be required to be provided and disclosed to the Company and in certain circumstances to the IRS as will be set out in the final FATCA regulations. The application of the withholding rules and the information that may be required to be reported and disclosed are uncertain and subject to change.

Under the US-Guernsey Intergovernmental Agreement (**IGA**), securities that are "regularly traded" on an established securities market are not considered financial accounts and are not subject to reporting. For these purposes, the Shares will be considered "regularly traded" if there is a meaningful volume of trading with respect to the Shares on an ongoing basis. Notwithstanding the foregoing, from 1 January 2016, a Share will not be considered "regularly traded" and will be considered a financial account if the holder of the Shares (other than a financial institution acting as an intermediary) is registered as the holder of the Share on the Company's share register. Such Shareholders will be required to provide information to the Company to allow the Company to satisfy its obligations under FATCA. Additionally, even if the Shares are considered regularly traded on an established securities market, Shareholders that own the Shares through financial intermediaries may be required to provide information to such financial intermediaries periodically in order to allow the financial intermediaries to satisfy their obligations under FATCA. Notwithstanding the foregoing, the relevant rules under FATCA may change and, even if the Shares are considered regularly traded on an established securities market, Shareholders may, in the future, be required to provide information to the Company in order to allow the Company to satisfy its obligations under FATCA.

If a Shareholder fails to provide the required information within the prescribed period, the Board may treat that Shareholder as a Non-Qualified Holder (as defined in the Articles) and require the relevant Shareholder to sell its Shares in the Company. Neither the Company nor any financial intermediary will make any additional payments to compensate a holder or beneficial owner of any Shares for any amounts required to be deducted and withheld (whether pursuant to FATCA, the IGA or otherwise).

The Company's FATCA diligence and reporting obligations will be governed by the US-Guernsey IGA and any applicable Guernsey implementing legislation.

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

IMPORTANT INFORMATION

In assessing an investment in the Company, investors should rely only on the information in this document. No person has been authorised to give any information or make any representations in relation to the Company other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Directors, the Investment Adviser, Numis or any other person.

Without prejudice to the Company's obligations under the Prospectus Rules or FSMA, neither the delivery of this document nor any subscription or purchase of New Ordinary Shares and/or C Shares made pursuant to this document 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 document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Numis by FSMA or the regulatory regime established thereunder, Numis does not accept any responsibility whatsoever for the contents of this document or for any other document or statement made or purported to be made by it, or on its behalf, in connection with the Company, the Investment Adviser, the New Ordinary Shares, the C Shares or any Admission. Numis accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this document or any such other document or statement.

In connection with the Initial Issue and the Placing Programme, Numis and any of its affiliates acting as an investor for its or their own account(s), may subscribe for the New Ordinary Shares and/or C 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 document to the New Ordinary Shares and/or C Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, Numis and any of its affiliates acting as an investor for its or their own account(s). Numis 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.

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

INVESTMENT CONSIDERATIONS

The contents of this document are not to be construed as advice relating to legal, financial, taxation, investment or any other matters. Prospective investors should inform themselves as to:

- the legal requirements within their own countries for the subscription for, purchase, holding, transfer, conversion or other disposal of New Ordinary Shares and/or C Shares;
- any foreign exchange restrictions applicable to the subscription for, purchase, holding, transfer, conversion or other disposal of New Ordinary Shares and/or C Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the subscription for, purchase, holding, transfer, conversion or other disposal of New Ordinary Shares and/or C Shares.

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

The Initial Issue and the Placing Programme will primarily be marketed to institutional and sophisticated investors and private clients.

This document should be read in its entirety before making any investment in the New Ordinary Shares and/or C Shares. All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of, the provisions of the memorandum and articles of incorporation of the Company, which investors should review.

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 New Ordinary Shares and/or C 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. Typical investors in the Company are expected to be institutional and sophisticated investors and private clients. Investors may wish to consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser before making an investment in the Company.

The Ordinary 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 and investors may not get back the full value of their investment.

Any investment objective and target returns of the Company are targets only and should not be treated as assurances or guarantees of performance. There can be no assurance that the Company's investment objective or target returns will be achieved.

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. There is no assurance that any appreciation in the value of the New Ordinary Shares or any Ordinary Shares arising on conversion of any C Shares will occur or that the investment objective of the Company will be achieved. 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.

The value of the New Ordinary Shares (and of the Ordinary Shares arising on conversion of any C Shares) and income derived from them (if any) can go down as well as up. Notwithstanding the existence of the share buyback powers as described in Part II (Information on the Company) of this document, there is no guarantee that the market price of the New Ordinary Shares (and of the Ordinary Shares arising on conversion of any C Shares) will fully reflect their underlying net asset value. In the event of a winding-up of the Company, Shareholders will rank behind any creditors of the Company and, therefore, any positive return for Shareholders will depend on the Company's assets being sufficient to meet the prior entitlements of any creditors.

FORWARD-LOOKING STATEMENTS

This document 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", "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. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements, including without limitation: conditions in the markets, market position of the Company's investments, earnings, financial position, return on capital, pipeline investments and expenditure, changing business or other market conditions and general economic conditions. Accordingly, there are or will be important factors that could cause the Company's actual results to differ materially from those indicated in these statements. These factors include, but are not limited to, those described in the part of this document entitled "Risk Factors", which should be read in conjunction with the other cautionary statements that are included in this document. Any forward-looking statements in this document 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 and growth strategy.

Subject to any obligations under FSMA, the Prospectus Rules, the Listing Rules and the Disclosure and Transparency Rules, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Forward-looking statements contained in this document based on past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Prospective investors should specifically consider the factors identified in this document which could cause actual results to differ before making an investment decision.

Nothing in the preceding paragraphs should be taken as limiting the working capital statement in paragraph 4 of Part IX of this document.

PRESENTATION OF INFORMATION

Market, economic and industry data

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

Currency presentation

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

LATEST PRACTICABLE DATE

Unless otherwise indicated, the latest practicable date for the inclusion of information in this document is close of business on 23 October 2015.

DEFINITIONS

A list of defined terms used in this document is set out at pages 132 to 139.

GOVERNING LAW

Unless otherwise stated, statements made in this document are based on the law and practice currently in force in England and Wales or Guernsey (as appropriate) and are subject to changes therein.

EXPECTED TIMETABLE

INITIAL PLACING AND OFFER

Publication of the Prospectus and Forms of Proxy	26 October 2015
Initial Placing and Offer open	26 October 2015
Latest time and date for receipt of Forms of Proxy	10.05 a.m. on 15 November 2015
Extraordinary General Meeting	10.05 a.m. on 17 November 2015 (or as soon as practicable following the conclusion of the Company's annual general meeting convened for the same day)
Latest time and date for receipt of Application Forms under the Offer	11.00 a.m. on 30 November 2015
Latest time and date for receipt of Placing Commitments	12.00 p.m. on 1 December 2015
Announcement of the results of the Initial Placing and Offer	2 December 2015
Crediting of interim stock line to line to CREST accounts of applicants under the Offer electing to settle via CREST	2 December 2015
Admission of the New Ordinary Shares to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities	8.00 a.m. on 4 December 2015
CREST accounts credited in respect of New Ordinary Shares in uncertificated form	8.00 a.m. on 4 December 2015
Dispatch of definitive share certificates for New Ordinary Shares in certificated form (where applicable)	Week commencing 7 December 2015

PLACING PROGRAMME

Placing Programme opens	5 December 2015
Admission of the New Shares the Official List and to trading on the London Stock Exchange's main market for listed securities	8.00 a.m. on each day New Shares are issued
CREST accounts credited in respect of New Shares in uncertificated form	As soon as possible after 8.00 a.m. on each day New Shares are issued
Dispatch of definitive share certificates for New Shares in certificated form (where applicable)	Approximately one week following Admission of the relevant New Shares
Placing Programme closes	25 October 2016

The dates and times specified are subject to change in which event details of the new times and dates will be notified, as required, through an RIS. References to times are to London times unless otherwise stated.

INITIAL PLACING AND OFFER AND PLACING PROGRAMME STATISTICS

New Shares issued pursuant to the Initial Placing and Offer will be issued as Ordinary Shares. New Shares issued pursuant to the Placing Programme may be issued as Ordinary Shares and/or as C Shares of one or more classes at the discretion of the Directors.

Number of Ordinary Shares in issue as at the date of this document	278,417,224

INITIAL PLACING AND OFFER STATISTICS

Initial Issue Price per New Ordinary Share	102 pence
Target Initial Placing and Offer size	£50.0 million
Estimated Initial Issue net proceeds[(1)]	£50.0 million
Target number of New Ordinary Shares being issued	50.0 million
Maximum number of New Ordinary Shares being issued	250.0 million

PLACING PROGRAMME STATISTICS

Maximum number of New Shares to be issued pursuant to the Placing Programme (inclusive the Ordinary Shares to be issued pursuant to the Initial Placing and Offer)	250 million
Placing Programme Price per New Ordinary Share	NAV per Ordinary Share at the time of issue plus a premium to cover the expenses of such issue
Placing Price per C Share	£1.00
Estimated maximum net proceeds of the issue of New Ordinary Shares under the Placing Programme[(2)]	£201.3 million
Estimated maximum net proceed of the issue of C Shares under the Placing Programme[(3)]	£197.3 million

DEALING CODES

New Ordinary Share ISIN number	GG00BB0RDB98
New Ordinary Share SEDOL	BB0RDB9
C Share ISIN number	GG00BRB2W527
C Share SEDOL	BRB2W52

Notes:

(1) Assuming 50 million New Ordinary Shares are issued pursuant to the Initial Issue.

(2) Assuming 200 million New Ordinary Shares are issued pursuant to the Placing Programme (being the maximum number of New Shares available under the Placing Programme, assuming that 50 million New Ordinary Shares are issued pursuant to the Initial Issue) at an issue price of 102 pence per New Ordinary Share.

(3) Assuming 200 million C Shares are issued pursuant to the Placing Programme (being the maximum number of C Shares available under the Placing Programme, assuming that 50 million New Ordinary Shares are issued pursuant to the Initial Issue) at an issue price of £1.00 per C Share.

DIRECTORS, AGENTS AND ADVISERS

Directors *(all non-executive)*	John Rennocks *(Chairman)* Paul Le Page Laurence McNairn John Scott
Administrator, Designated Administrator, Company Secretary and Registered Office	Heritage International Fund Managers Limited Heritage Hall PO Box 225 Le Marchant Street St Peter Port Guernsey GY1 4HY
Investment Adviser	Bluefield Partners LLP 40 Queen Anne Street London, W1G 9EL
Sponsor, Broker and Financial Adviser	Numis Securities Limited The London Stock Exchange Building 10 Paternoster Square London EC4M 7LT
Legal Advisers to the Company *(as to English law)*	Norton Rose Fulbright LLP 3 More London Riverside London SE1 2AQ
Legal Advisers to the Company *(as to Guernsey law)*	Carey Olsen PO Box 98 Carey House Les Banques St Peter Port Guernsey GY1 4BZ
Legal Advisers to the Sponsor, Broker and Financial Adviser	Travers Smith LLP 10 Snow Hill London EC1A 2AL
Reporting Accountants	KPMG Channel Islands Limited Glategny Court Glategny Esplanade St Peter Port Guernsey GY1 1WR
Auditors	KPMG Channel Islands Limited Glategny Court Glategny Esplanade St Peter Port Guernsey GY1 1WR
Registrar	Capita Registrars (Guernsey) Limited Mont Crevelt House Bulwer Avenue St Sampson Guernsey GY2 4LH
Principal Bankers	Royal Bank of Scotland International Royal Bank Place 1 Glategny Esplanade St Peter Port Guernsey GY1 4BQ

PART I

LETTER FROM THE CHAIRMAN

Bluefield Solar Income Fund Limited

(A company incorporated in Guernsey under The Companies (Guernsey) Law, 2008, as amended, with registered no. 56708)

Directors

John Rennocks *(Chairman)*
Paul Le Page
Laurence McNairn
John Scott

Registered office

Heritage Hall
PO Box 225
Le Marchant Street
St Peter Port
Guernsey GY1 4HY

26 October 2015

To holders of Ordinary Shares in the Company

Dear Shareholder,

Proposed disapplication of pre-emption rights in connection with the proposed fundraising by way of an Initial Placing and Offer for Subscription and a subsequent Placing Programme in respect of up to 250 New Ordinary Shares and/or C Shares in aggregate

and

Notice of Extraordinary General Meeting

INTRODUCTION

On 26 October 2015 your Board announced that, subject to Shareholder approval and the publication of a prospectus, it intends to put in place a new placing programme to enable the Company to repay sums drawn down from time to time under the Acquisition Facility and to make further acquisitions in accordance with the Company's investment objective and policy.

The Board is seeking Shareholders' consent for the disapplication of pre-emption rights in connection with the proposed issue in aggregate of up to 250 million New Ordinary Shares and/or C Shares by way of an Initial Placing and Offer for Subscription and a subsequent Placing Programme (the **Proposal**).

Ordinary Shareholders are being asked to vote on the Proposal to enable the Company to comply with its various legal and regulatory obligations. The disapplication of pre-emption rights in respect of the New Shares is required to be approved by Ordinary Shareholders pursuant to the Company's Articles.

The purpose of this document is to explain the background to, and reasons for, the Proposal. Notice of the Extraordinary General Meeting at which Shareholders' approval for the Proposal will be sought is set out at the end of this document.

Shareholders should make their own investigation of the Proposal set out in this document, including the merits and risks involved. Nothing in this document constitutes legal, tax, financial or other advice, and if they are in any doubt about the contents of this document, Shareholders should consult their own professional advisers.

THE ISSUES

Background to and reasons for the Issues

In July 2013 the Company raised gross proceeds of £130 million through an initial public offering. Over the subsequent months the Investment Adviser supported the deployment of those proceeds ahead of schedule and by February 2014 the initial proceeds were fully committed across eight distinct projects. A further £13 million was raised in February 2014 through the 2014 Tap Issue, enabling the Company to make its ninth investment. On 13 June 2014 the Company announced that

it had entered into the Acquisition Facility Agreement for up to £50 million. Pursuant to a placing programme in November 2014, the Company raised an additional £131 million.

The Investment Adviser has secured exclusivity agreements on behalf of the Company, which comprise a portfolio with a total capacity of 258 MWp across 25 solar PV projects widely distributed across England, Scotland and Wales. Each project under exclusivity qualifies under the ROC scheme, though the green field projects, being sub-5MW, all have the opportunity to qualify alternatively under the FiT scheme. The projects have been, or will be, constructed by five contractors with whom the Investment Adviser is familiar. The total consideration required to complete the acquisition of all assets in the pipeline would be approximately £270 million, to be sourced from a combination of the proceeds of the Initial Issue and the Placing Programme and an extension of the Acquisition Facility (as described below). The Investment Adviser has provided the Board with a preliminary review of the overall portfolio pipeline under exclusivity, but the individual projects within the pipeline remain subject to full due diligence, final Board approval and execution of documentation.

In addition to the pipeline under exclusivity, the Investment Adviser is exploring a large number of both primary and secondary project opportunities upon which it intends to enter exclusivity agreements, subject to securing availability of sufficient funding. To realise the acquisition of the pipeline assets, the Company will utilise the Acquisition Facility as a short term financing, which it intends will be replaced by long term structural debt (subject to the approvals referred to below), as well as further equity, with a target long term leverage of 25-35 per cent. of GAV, and in all cases the combined short term and long term leverage will not exceed 50 per cent. of GAV.

The ability of the Company and/or Holdco to incur long term structural debt will require an amendment to the Company's existing investment policy as this currently envisages that the Group will only use short term debt at the holding company level. The Directors intend to seek FCA and Shareholder approval to amend the Company's existing investment policy to permit the use of long term structural debt at the holding company level prior to incurring any such long term structural debt. The Board expects to write to Shareholders early in 2016, after completion of the Initial Issue, explaining in more detail the proposed use and terms of any long term structural debt and the appropriate amendment to the Company's investment policy to permit its use. As the proposed change to the Company's investment policy to permit long term structural debt at the holding company level would constitute a significant new factor, the Company will publish a supplementary prospectus setting out details of the proposed change in accordance with its obligations under the Prospectus Rules. However, it is not intended that such a supplementary prospectus will be published prior to Initial Admission and accordingly investors who apply for New Ordinary Shares under the Offer will not be able to exercise any withdrawal rights in relation to the proposed change of investment policy.

The Acquisition Facility together with the proposed Placing Programme allows the Company to pursue the growth strategy of building out the asset base through a combination of debt and further equity fund raisings as set out in the IPO Prospectus.

Benefits of the Issues

The Directors believe that the Issues (comprising an Initial Placing and Offer and a subsequent Placing Programme) will have the following benefits:

- the market capitalisation of the Company will increase, and it is expected that secondary market liquidity of the Ordinary Shares will improve;
- the Issues will provide the potential for greater diversification of the Company's assets;
- the Issues, in combination with the Acquisition Facility, should enable the Company to acquire a select number of opportunities from the pipeline of deals it is negotiating;
- following the Initial Placing and Offer, the Placing Programme will provide greater flexibility for the Company to continue to benefit from the market for primary acquisitions and the growing market of potential secondary acquisitions from its existing and new contractor relationships; and
- the Company's fixed running costs will be spread across a wider investor base therefore lowering the ongoing charges ratio.

The Initial Placing and Offer for Subscription

Under the Initial Placing and Offer, subject to compliance with the Companies Law and the Articles, the Company is targeting an issue up to 50 million New Ordinary Shares to raise net proceeds of approximately £50 million. The Initial Issue Price is equal to the prevailing NAV per Ordinary Share on 23 October 2015 plus a premium of 2.0 per cent. to cover the costs of the Initial Placing and Offer and will therefore be non-dilutive to the prevailing NAV for existing Shareholders. The Initial Placing and Offer is not being underwritten.

Assuming the Initial Placing and Offer are fully subscribed, the New Ordinary Shares issued under the Initial Placing and Offer would represent approximately 90 per cent. of the issued share capital of the Company as at the date of this document.

The New Ordinary Shares issued pursuant to the Initial Placing and Offer will rank *pari passu* in all respects with the existing Ordinary Shares (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 New Ordinary Shares). The Company declared a first interim dividend of 3.25p per Ordinary Share for the current year on 26 October 2015 which will be payable to Shareholders on the Register as at 13 November 2015. The New Ordinary Shares issued pursuant to the Initial Issue will not be entitled to this dividend or the fourth interim dividend for the financial year ended 30 June 2015, which is payable on 30 October 2015.

The Initial Placing and Offer is conditional, *inter alia*, on:

(i) the Resolution being passed at the EGM;

(ii) the Sponsor and Placing Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms prior to Initial Admission; and

(iii) Initial Admission occurring by 8.00 a.m. on 4 December 2015 (or such later date as the Company and Numis may agree in writing, being not later than 8.00 a.m. on 31 December 2015).

Neither the Initial Placing and Offer nor any Placing under the Placing Programme will be conditional on Shareholders approving any future proposal to change the Company's investment policy to permit the use of long term structural debt at the holding company level.

Application will be made to the Financial Conduct Authority for admission of the New Ordinary Shares to be issued pursuant to the Initial Placing and Offer to the premium segment of the Official List. Application will also be made for such New Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. It is expected that Initial Admission will become effective and that unconditional dealings in the New Ordinary Shares issued pursuant to the Initial Placing and Offer will commence on the London Stock Exchange at 8.00 a.m. (London time) on 4 December 2015.

The New Ordinary Shares will be issued in registered form and may be held in uncertificated form. The New Ordinary Shares allocated will be issued to Placees through the CREST system unless otherwise stated. The New Ordinary Shares will be eligible for settlement through CREST with effect from Initial Admission.

Further details of the Initial Placing and Offer and as to how Shareholders can apply for new Ordinary Shares are set out in Part VII of this document and in Appendix 1 and 2 to this document.

The Placing Programme

The Company is also proposing the Placing Programme to enable the Company to raise additional capital in the period from Initial Admission to 25 October 2016 to pay down debt drawn under the Acquisition Facility from time to time and as and when it identifies acquisition opportunities that satisfy the Company's investment objective and policy. The combination of the Acquisition Facility and the Placing Programme should enable the Company to make opportunistic acquisitions whilst mitigating the risk of cash drag on existing Shareholders' funds and has been structured to provide

the Directors with the flexibility to issue New Ordinary Shares and/or C Shares, which should enable the Directors to further mitigate the risk of cash drag.

Conditional on the Resolution being passed at the EGM, the Directors will be authorised to issue up to 250 million New Ordinary Shares and/or C Shares pursuant to the Placing Programme (less any New Ordinary Shares issued pursuant to the Initial Placing and Offer) without having to first offer those shares to existing Shareholders or holders of C Shares (as applicable). The maximum number of New Shares available under the Initial Issue and the Placing Programme should not be taken as an indication of the number of New Shares finally to be issued, which will depend on the timing and size of future acquisitions made by the Company. However, assuming only New Ordinary Shares are issued pursuant to the Placing Programme and both the Initial Issue and the Placing Programme are fully subscribed, the New Ordinary Shares issued under the Initial Issue and the Placing Programme would represent approximately 90 per cent. of the issued share capital of the Company as at the date of this document. Whilst approximately 90 per cent. is higher than the disapplication of pre-emption rights authority ordinarily recommended by corporate governance best practice, the Directors believe that taking a larger than normal authority is justified in the present circumstances to provide the Company with the flexibility to issue New Shares on an ongoing basis in order to repay sums drawn down from time to time under the Acquisition Facility, to fund future acquisitions in accordance with the Company's investment policy and to avoid the costs associated with having to obtain repeated smaller authorities.

The size and frequency of each Placing under the Placing Programme will be determined at the sole discretion of the Directors, in consultation with Numis. The Directors will also decide on the most appropriate class of Shares to issue under the Placing Programme at the time of each Placing, in consultation with Numis and the Investment Adviser.

The Placing Programme will be suspended at any time when the Company is unable to issue New 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 of the Placing Programme being no later than 25 October 2016.

The Placing Programme is conditional, *inter alia*, on:

(i) the Resolution being passed at the EGM;

(ii) the Sponsor and Placing Agreement becoming otherwise unconditional in respect of that Placing, and not being terminated in accordance with its terms before the relevant Admission becomes effective;

(iii) if a supplementary prospectus is required to be published in accordance with the FSMA, such supplementary prospectus being approved by the FCA and published by the Company in accordance with the Prospectus Rules; and

(iv) Admission of the New Ordinary Shares or C Shares issued pursuant to each Placing at such time and on such date as the Company and Numis may agree prior to the closing of that Placing, not being later than 25 October 2016.

If these conditions are not satisfied in respect of any Placing under the Placing Programme, the relevant issue of the New Ordinary Shares or C Shares will not proceed.

All New 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. The Issue Price of any New Ordinary Shares to be issued pursuant to a Placing will be announced through an RIS as soon as is practicable following the allotment of such New Ordinary Shares.

The Issue Price of any C Shares issued pursuant to the Placing Programme will be £1.00. C Shares will convert into Ordinary Shares on the occurrence of specified events or at specified times and conversion will take place on a Net Asset Value for Net Asset Value basis. The costs and expenses of any issue of C Shares and any other costs and expenses which the Directors believe are attributable to the C Shares will be paid out of the pool of assets attributable to the C Shares and accordingly will not dilute the Net Asset Value of the Ordinary Shares.

As described above, New Ordinary Shares will only be issued under the Placing Programme on a non-pre-emptive basis at a premium to the prevailing NAV at the time of issue in order to take account of the costs of such issue and will therefore be non-dilutive to the prevailing NAV for existing Shareholders. The Directors intend to use this authority when they consider that it is in the best interests of Shareholders to do so and when the Investment Adviser has advised that it would be appropriate to repay sums drawn down under the Acquisition Facility and/or has identified suitable assets for acquisition.

The net proceeds of the Placing Programme are dependent on the number of New Ordinary Shares and/or C Shares issued pursuant to the Placing Programme and the Issue Price of any New Ordinary Shares issued.

Assuming 200 million New Ordinary Shares are issued pursuant to the Placing Programme at an Issue Price of 102 pence per New Ordinary Share, the Company would raise £204.0 million of gross proceeds from the Placing Programme. After deducting expenses (including any commission) of approximately £2.7 million, the net proceeds of the Placing Programme would be approximately £201.3 million.

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all the New Ordinary 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 London Stock Exchange's main market for listed securities. Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all the C Shares to be issued pursuant to the Placing Programme to be admitted to the standard segment of the Official List and to trading on 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 Ordinary Shares and/or C Shares will commence, during the period from Initial Admission to 25 October 2016.

The Company's share capital as at the date of this document is denominated in Sterling and consists of Ordinary Shares of no par value. The New Ordinary Shares issued pursuant to the Placing Programme will rank *pari passu* with the Ordinary Shares then in issue (save that New Ordinary Shares will not rank for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the issue of such New Ordinary Shares).

The C Shares will not be entitled to any dividends payable in respect of the Ordinary Shares but on their conversion into New Ordinary Shares they will rank *pari passu* with the Ordinary Shares then in issue (save that such New Ordinary Shares will not rank for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to conversion of the C Shares).

The New Shares issued pursuant to the Placing Programme will be issued in registered form and may be held in uncertificated form. The New Shares allocated will be issued to Placees through the CREST system unless otherwise stated. The New Shares will be eligible for settlement through CREST with effect from the date of the relevant Admission. Temporary documents of title will not be issued and dealings in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

Further details of the Placing Programme and the terms and conditions which will apply in relation to any Placing under the Placing Programme are set out in Part VIII of this document and Appendix 1 to this document.

Use of proceeds

The Board intends to use the net proceeds of the Initial Placing and Offer and any Placings under the Placing Programme, firstly, to repay outstanding debt drawn down under the Acquisition Facility used to acquire assets in the Group's portfolio at the time of the relevant issue and, secondly, to finance further acquisitions of assets in accordance with the Group's investment objective and policy. As at the date of this document, the amount drawn down under the Acquisition Facility was approximately £32.8 million.

Dilution

Existing Shareholders are not obliged to participate in the Initial Issue or the Placing Programme. If the maximum number of New Ordinary Shares available to be issued by the Company under the Initial Issue and the Placing Programme are issued, an existing Shareholder holding Ordinary Shares representing 10 per cent. of the Company's issued Ordinary Share capital as at the date of this document, who does not participate in the Initial Issue or the Placing Programme, would, following completion of the Initial Issue and the Placing Programme, hold Ordinary Shares representing approximately 5.3 per cent. of the Company's enlarged issued Ordinary Share capital following conclusion of the Initial Issue and the Placing Programme.

Extraordinary General Meeting

The Proposal is conditional on the approval by Shareholders of the Resolution to be put to Shareholders at the Extraordinary General Meeting, which has been convened for 17 November 2015 at 10.05 a.m. (or, if later, as soon as practicable following the conclusion of the Company's annual general meeting convened for the same day). The Notice convening the Extraordinary General Meeting is set out at the end of this document.

If approved by Shareholders, the Resolution will disapply the pre-emption rights contained in the Articles for the issue of up to 250 million New Ordinary Shares and/or C Shares available for issue pursuant to the Initial Placing and Offer and the Placing Programme.

The Resolution is being proposed as a special resolution requiring the approval of 75 per cent. or more of the votes cast. If the Resolution is not passed neither the Initial Placing and Offer nor the Placing Programme will proceed.

All Shareholders are entitled to attend, speak and vote at the Extraordinary General Meeting and to appoint a proxy or corporate representative to exercise that right.

Action to be taken

Extraordinary General Meeting

Shareholders will find enclosed a Form of Proxy for use in relation to the Extraordinary General Meeting. Whether or not you propose to attend the Extraordinary General Meeting in person, you are requested either to complete the Form of Proxy and return it to the Company's UK Transfer Agent, Capita Registrars, 34 Beckenham Road, Beckenham, Kent BR3 4TU in accordance with the instructions printed on it, or, if you hold your Ordinary Shares in CREST, to utilise the CREST electronic proxy appointment service in accordance with the procedures set out on the Form of Proxy. In each case, proxy votes should be returned as soon as possible, but in any event not later than 48 hours before the time appointed for the Extraordinary General Meeting or any adjournment of that meeting.

Completion and return of Forms of Proxy will not prevent you from attending and voting in person at the Extraordinary General Meeting should you wish to do so.

Recommendation

The Board considers that the Proposal and the Resolution are in the best interests of the Company and Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolution, as all of the Directors intend to do in respect of their own beneficial holdings of Ordinary Shares which amount in aggregate to 1,043,745 Ordinary Shares (representing approximately 0.38 per cent, of the existing issued ordinary share capital of the Company).

Yours sincerely,

John Rennocks
Chairman

PART II

INFORMATION ON THE COMPANY

INVESTMENT OBJECTIVE

The Company seeks to provide Shareholders with an attractive return, principally in the form of quarterly income distributions, by investing in a portfolio of large scale UK based solar energy infrastructure assets.

The Company and its Board have set a target of growing dividends from a 7p per Ordinary Share base level for 2014/15 by RPI and this would lead to a target dividend for the Company's third financial year in 2015/16 of 7.07p. However, as a result of good operational performance in 2014/15 the Board declared an increased dividend of 7.25p for that financial year, and subject to operating performance in the current year being within its expectations the Board intends to maintain that level of dividend.[1] Subject to maintaining prudential level of reserves, the Company intends to distribute cash generated in order to optimise Shareholders' returns and expects to achieve its target returns without recourse to reinvestment of spare cash flows.

INVESTMENT POLICY

The Group invests in a diversified portfolio of solar energy assets, each located within the UK, with a focus on utility scale assets and portfolios on greenfield, industrial and/or commercial sites. The Group targets long life solar energy infrastructure, expected to generate stable renewable energy output over a 25 year asset life.

Individual solar assets or portfolios of solar assets are held within SPVs into which the Group invests through equity and/or debt instruments. The Group typically seeks legal and operational control through direct or indirect stakes of up to 100 per cent. in such SPVs, but may participate in joint ventures or minority interests where this approach enables the Group to gain exposure to assets within the Company's investment policy which the Group would not otherwise be able to acquire on a wholly-owned basis.

The Group may make use of non-recourse finance at the SPV level to provide leverage for specific solar energy infrastructure assets or portfolios provided that at the time of entering into (or acquiring) any new financing, total non-recourse financing within the portfolio will not exceed 50 per cent. of the prevailing Gross Asset Value. In addition, the Group may, at holding company level, make use of short term debt finance to facilitate the acquisition of investments, but such short term debt (when taken together with the SPV finance noted above) will also be limited so as not to exceed 50 per cent. of the Gross Asset Value.

No single investment in a solar energy infrastructure asset (excluding any third party funding or debt financing in such asset) will represent, on acquisition, more than 25 per cent. of the Net Asset Value.

The portfolio provides diversified exposure through the investment in not less than five individual solar energy infrastructure assets. Diversification is achieved across various factors such as grid connection points, individual landowners and leases, providers of key components (such as PV panels and inverters) and assets being located across various geographical locations within the United Kingdom.

The Group aims to derive a significant portion of its targeted return through a combination of the sale of Renewables Obligation certificates and FiTs (or any such regulatory regimes that replace them from time to time). Both such regimes are currently underwritten by UK Government policy providing a level of Renewables Obligation certificates or FiTs fixed for 20 years for accredited projects and each regime currently benefits from an annual RPI escalation. The Group also intends, where

(1) These are targets only and not profit forecasts. There can be no assurance that these targets can or will be met and it should not be seen as an indication of the Company's expected or actual results or returns. Accordingly, investors should not place any reliance on these targets in deciding whether to invest in the Ordinary Shares or C Shares or assume that the Company will make any distributions at all.

appropriate, to enter into power purchase agreements with appropriate counterparties, such as co-located industrial energy consumers or wholesale energy purchasers.

Listing Rule investment restrictions

The Company currently complies with the investment restrictions set out below and will continue to do so 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 must, 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; and
- 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.

As required by the Listing Rules, any material change to the investment policy of the Company will be made only with the prior approval of the Financial Conduct Authority and Shareholders.

REVENUE STREAMS

The assets to be invested by the Group are anticipated to benefit from revenue from two primary sources:

- regulated revenue from sale of ROCs, FiTs or CfD FiTs or from payments being made by the counterparty to a CfD FiT; and
- sale of electricity to electricity suppliers, energy traders or on-site users.

The split of the Group's regulated revenue between the sale of ROCs, FiTs and CfD FiTs will depend on the projects acquired by the Group. All of the assets acquired by the Group using the proceeds of the IPO, the 2014 Tap Issue and the 2014 Placing Programme were large scale ROC projects commissioned under the 2 ROC, 1.6 ROC and 1.4 ROC support bandings or FiT assets. Whilst it is expected that the majority of the assets acquired in the next phase will be ROC assets, including both 5 MW-plus operational and grace period projects and sub-5 MW projects, the Group may also look to continue to acquire FiT assets in the form of industrial rooftop projects.

The regulated revenues for installations under the 2 ROC banding are typically c. 65 per cent. of total revenue, under 1.6 regulated revenues are c.60 per cent., under the 1.4 banding are c. 58 per cent. and under the 1.3 banding are c. 56 per cent. Depending on the year of commissioning and size of installation, FiT assets also have graduated regulatory revenues ratios against the sale of generated electricity, depending on the year in which a plant was accredited, with the earliest period of 2011/2012 receiving up to 90 per cent. of revenue from FiT. As described in Part III of this document, both the ROC and FiT regulatory regimes currently benefit from RPI linkage under regulation (although it is proposed that FiTs will be subject to CPI linkage) and are fixed under regulation at the point of a plant's commissioning for 20 years (save that, subject to UK parliament approval, it is proposed under the DECC Consultation that new solar PV projects of 5 MW and below which do not satisfy the criteria of any significant financial commitment grace period introduced by DECC or which have not been accredited under the RO by 22 July 2015 will not benefit from such a fixed level of support). Support under the CfD FiT regime is provided by way of a private law contract for 15 years from the relevant start date and benefits from CPI linkage. To the extent the Group acquires assets installed under earlier regulatory regimes, such as plants installed in 2011 or 2012 the proportion of revenue coming from the regulated component may be significantly higher.

Previously, certain renewable generators had been eligible to receive transferable exemptions from the Climate Change Levy, which is a tax on the supply of energy products (including electricity) for non-domestic users. However, since 1 August 2015, generators have been unable to sell LECs for power generated, with an impact of £5.54/MWh of electricity generated by each qualifying renewable energy plant.

GROUP STRUCTURE

The Company makes its investments via a group structure which currently comprises the Company and its wholly-owned UK subsidiary, Bluefield SIF Investments Limited. Holdco invests directly or indirectly in the SPVs which own the solar assets.

ORIGINATION OF FURTHER INVESTMENTS

The Investment Adviser has established a number of sources of pipeline to which the Company will be granted access. These include a proven set of relationships with developers, contractors and project advisers. These types of relationships have resulted in the full deployment of the proceeds of the IPO, the 2014 Tap Issue and the 2014 Placing Programme since the Company's IPO.

Whilst the Investment Adviser has secured these routes of access to the solar market it is not subject to any exclusive obligation to source projects from these sources and has the capacity to select assets from across the solar market in order to deliver the Company's investment objective. This has been demonstrated by the contractors the Company worked with to deliver the Current Portfolio.

INVESTMENT OPPORTUNITY

Solar PV installations in the UK have had the opportunity to benefit from FiTs (for installations up to 5MW in capacity) or ROCs. Both schemes currently offer 20 year, inflation indexed, legislated regulatory support (although it is proposed under the DECC Consultation, subject to UK parliament approval, that the ROC scheme for new solar PV projects of 5 MW and below will close from 1 April 2016, a year earlier than scheduled, and that there will be a banding review of the level of the support for new solar PV projects of 5 MW and below. When combined with relatively stable annual levels of solar irradiation (compared to other renewable technologies such as wind), such regulated revenue sources give rise to the potential for long-term relatively stable and predictable revenue streams. Meanwhile operational costs are typically low as a proportion of revenues (circa 20 to 30 per cent.), giving rise to the potential for generation of long term stable cashflows.

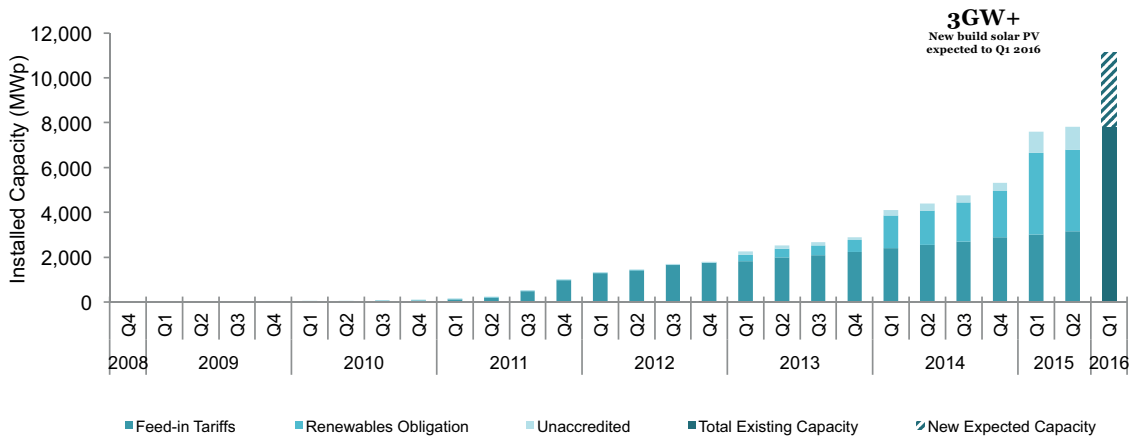
Utilising the experience of the Investment Adviser in the UK solar sector, the Company aims to acquire and/or construct UK solar PV infrastructure on a utility scale in order to achieve both stable income and to extract the maximum potential for asset optimisation through economies of scale and active technical management.

Since 2011 the Investment Adviser has developed specific experience investing in a series of industrial and electricity grid connected solar PV projects in the UK market, working with a number of established solar energy contractors. During this period of investment, the Investment Adviser has developed experience in both FiTs and ROC based projects, investing on behalf of institutional and private client investors. Further details of the Investment Adviser's track record in UK solar PV projects are set out in Part V of this document.

MARKET GROWTH

Latest figures released by DECC show that overall UK solar PV capacity stood at 8,007 MW across 751,423 installations as of the end of August 2015 (Source: DECC : Solar photovoltaics deployment in the UK, August 2015). Installed capacity rose by 76 per cent (3,449 MW) and the total number of installations increased by 26 per cent (155,136) since the end of August 2014. Capacity accredited under the Renewables Obligation stood at 3,702 MW across 13,590 installations. This represents 46 per cent of total solar capacity, and 2 per cent of all installations. Capacity eligible for Feed in Tariffs (FiTs, i.e. MCS, ROO-FiT and RO to FiT transfers) stood at 3,268 MW across 735,281 installations. This represents 41 per cent of total solar capacity, and 98 per cent of all installations. Other (unaccredited) solar capacity, at 1,036 MW, represented 13 per cent of total solar deployment. The chart below shows the latest figures released by DECC for UK Solar deployment.

Figure 1: Installed solar capacity evolution in UK (MWp)



Source: DECC UK Solar PV deployment (Sep, 2015) and Solar Intelligence (Aug, 2015).

The demonstrable success of the UK solar market has seen a significant reaction from the British Government in order to manage future growth in the market and DECC has entered into a further consultation on their support for the growth of solar PV with regards to plants yet to be operational.

The Board, as advised by the Investment Adviser, expects this to have far reaching implications for solar industry from 2016 onwards; nonetheless there remains a very substantial and immediate opportunity to acquire primary assets and a growing base of secondary assets. The Board is positioning the Company to be in position to take advantage of both these markets.

FUTURE TRENDS

Similar to DECC's 2014 Renewables Obligation policy changes, the recent cuts announced in respect of sub-5 MW projects are anticipated to lead to an increase in installation rates of solar PV plants in the lead up to deadline. According to latest figures released in August 2015 by Solar Intelligence, the UK's pipeline of large-scale solar farms (>250kW) has now grown to 3.3GW (Source: Solar Media UK Ground Mount Report 3 – Opportunity Pipeline Report). This represents new capacity anticipated to be fully commissioned and accredited by 31 March 2016.

The surge of new installations has given rise to a significant pipeline for the Investment Adviser to source potential acquisitions. By 31 March 2016, it is anticipated that the UK's solar PV capacity will exceed the 10GW mark. Recently, secondary operational assets and portfolios have come to the market which historically has been dominated by primary assets. The predicted growth of the UK's Solar PV capacity to 10GW is expected to contribute to a healthy secondary market in the years to come as short term investors and developers look to realise value by selling their portfolios.

ACQUISITION FACILITY

In order to support the funding of the potential pipeline assets and ensure the Group has the necessary flexibility to fund acquisitions in the short to medium term, the Company and Holdco have engaged with potential lenders and are in advanced discussions to extend the Acquisition Facility. To the extent the Board deems it justified by pipeline acquisition opportunities, and in the context of the overall low leverage strategy of the Company, the Company and Holdco have agreed indicative terms to extend the Acquisition Facility up to £90 million with RBS. The Company and Holdco are in advanced discussions with RBS and another lender to potentially extend the Acquisition Facility further, as may be determined to be appropriate to fund pipeline acquisitions, and which would facilitate the future implementation of long term structural debt within the Company (subject to the approvals referred to below). Further details of the two options to extend the Acquisition Facility are as follows:

- RBS has agreed non-binding terms to extend the Acquisition Facility up to a total of £90 million in two tranches: (i) an increase from the current availability of £50 million to £75 million with the original tenor of the Acquisition Facility, being three (3) years from the date of the Acquisition Facility; and (ii) £15 million with a tenor of 364 days from the date of the extension; and

- The Company and Holdco are in advanced discussions with RBS and another lender to jointly extend the Acquisition Facility up to a higher amount to be agreed and as appropriate to fund pipleline acquisitions which would have a similar tranche and repayment structure to the extension described above.

Completion of any extension of the Acquisition Facility reflecting the agreed terms is subject to legal due diligence, formal bank credit approval, Company and the Holdco Board approval and documentation which is satisfactory to each party. As previously stated, the Company is continuing to evaluate the potential introduction of long term structural debt and the Board intends that such long term debt would be introduced (subject to the approvals referred to below) in a timely manner and would refinance the Acquisition Facility prior to the maturity of the debt drawn under the Acquisition facility at the relevant time.

As described in the Chairman's letter in Part 1 of this document, the ability of the Company and/or Holdco to incur long term structural debt will require an amendment to the Company's existing investment policy as this currently envisages that the Group will only use short term debt at the holding company level. The Directors intend to seek FCA and Shareholder approval to amend the Company's existing investment policy to permit the use of long term structural debt at the holding company level prior to incurring any such long term structural debt. The Board expects to write to Shareholders early in 2016, after completion of the Initial Issue, explaining in more detail the proposed use and terms of any long term structural debt and the appropriate amendment to the Company's investment policy to permit its use.

Further details of the Acquisition Facility are set out in paragraph 5(d) of Part XII of this document.

CAPITAL STRUCTURE

The Company's issued share capital currently comprises Ordinary Shares.

The Company proposes to issue New Ordinary Shares pursuant to the Initial Placing and Offer and may issue New Ordinary Shares and/or C Shares pursuant to the Placing Programme.

The Ordinary Shares are admitted to trading on the main market for listed securities of the London Stock Exchange and are listed on the Official List.

Applications will be made to the UKLA and the London Stock Exchange for all the New Ordinary Shares to be issued pursuant to the Initial Placing and Offer and the Placing Programme to be admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. Applications will be made to the UKLA and the London Stock Exchange for all the C Shares to be issued pursuant to the Placing Programme to be admitted to the standard segment of the Official List and to trading on the London Stock Exchange's main market for listed securities.

It is expected that that admission of the New Ordinary Shares to be issued pursuant to the Initial Placing and the Offer will become effective, and that dealings in such New Ordinary Shares will commence on 4 December 2015.

It is expected that admission of the New Ordinary Shares and/or C Shares to be issued pursuant to the Placing Programme will become effective, and that dealings in such New Ordinary Shares and/or C Shares will commence, during the period from Initial Admission to 25 October 2016.

The rights attaching to the Ordinary Shares are uniform in all respects and they form a single class for all purposes. Shareholders have uniform voting rights and rights to dividends or distributions in proportion to the number of Ordinary Shares they hold at any time (save for any dividends or other distributions made or paid on the Ordinary Shares by reference to a record date prior to the issue of the relevant New Ordinary Shares).

The rights attaching to the C Shares are set out in Part XI of this document.

On a winding up of the Company, provided the Company has satisfied all of its liabilities, the holders of the Ordinary Shares are entitled to all of the surplus assets of the Company attributable to the Ordinary Shares and the C Shareholders are entitled to all of the surplus assets of the Company

attributable to the C Shares. C Shares are entitled to receive, and participate in, any dividends declared to the extent that such dividend derives from the net assets of the Company attributable to the C Shares.

Shareholders are entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Ordinary Share held. C Shareholders do not have any voting rights at a general meeting of the Company, except in certain limited circumstances described in Part XI of this document.

DISTRIBUTION POLICY

General

Dividends may be paid to holders of Ordinary Shares whenever the financial position of the Company, in the opinion of the Directors, justifies such payment, subject to the Company being able to satisfy the solvency test, as defined under the Companies Law, immediately after payment of such dividend.

Target Returns

The Company and its Board have set a target of growing dividends from a 7p per Ordinary Share base level for 2014/15 by RPI and this would lead to a target dividend for the Company's third financial year in 2015/16 of 7.07p. However, as a result of good operational performance in 2014/15 the Board declared an increased dividend of 7.25p for that financial year, and subject to operating performance in the current year being within its expectations the Board intends to maintain that level of dividend.[(2)]

Failure to achieve the target dividend return in any financial year will result in the Investment Adviser rebating up to 35 per cent. of its base fee paid in that financial year. On a conservative assumption of no terminal value to the Company's assets after 25 years, the Company expects to deliver a total return, net of all set-up costs and fund expenses, of no less than 7 per cent. per annum.

Subject to maintaining a prudential level of reserves, the Company does not expect to reinvest cash flows in order to achieve its target returns but together with asset performance optimisation will seek to achieve distributions of up to 9 pence per Ordinary Share. If in any year the Company exceeds its target dividend return, the Investment Adviser will be entitled to a variable fee equal to 30 per cent. of the excess, subject to a maximum variable fee in any year equal to 1 per cent. of the NAV as at the end of the relevant financial year. Further details of the fees payable to the Investment Adviser are set out under "Ongoing Expenses" in Part VI of this document.

The Directors will declare and pay dividends in compliance with the solvency test prescribed by the Companies Law.

The actual yield generated by the Company in pursuing its investment objective may depend on a wide range of factors including, but not limited to, general economic and market conditions, fluctuations in currency exchange rates, prevailing interest rates and credit spreads, the terms of the investments made by the Company and the risks highlighted in the section headed "Risk Factors" in this document. The target return set out in this document should not be taken as an indication of the Company's expected future performance or results over any period. The target return is a target only and there is no guarantee that it can or will be achieved and it should not be seen as an indication of the Company's expected or actual return. Accordingly, investors should not place any reliance on the target return in deciding whether to invest in the Ordinary Shares or C Shares. The future performance of the Company may be materially adversely affected by the risks discussed in the section of this document entitled "Risk Factors".

(2) These are targets only and not profit forecasts. There can be no assurance that these targets can or will be met and it should not be seen as an indication of the Company's expected or actual results or returns. Accordingly, investors should not place any reliance on these targets in deciding whether to invest in the Ordinary Shares or C Shares or assume that the Company will make any distributions at all.

Timing of distributions

The Company's financial year end is 30 June 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 April, July, October and January.

In conjunction with the 2014 Placing Programme, the Board considered the timing of the Company's dividends with the objective of ensuring that any issue of new shares pursuant to the 2014 Placing Programme would not be dilutive to the dividend attributable to existing ordinary shareholders. As such, the Board decided to bring forward the declaration and payment dates of the first interim dividend in respect of the year to 30 June 2015. As a result, the Company declared a first interim dividend of 3.25 pence per Ordinary Share in November 2014 (which was paid in December 2014). Subsequently the Company declared a second interim dividend of 1 penny per Ordinary Share on 6 May 2015 which was paid on 15 May 2015, a third interim dividend of 1.5 pence per Ordinary Share declared on 28 July 2015 which was paid on 7 August 2015 and a fourth interim dividend of 1.5 pence per Ordinary Share on 1 October 2015 which will be paid on 30 October 2015 to Ordinary Shareholders on the Register as at 9 October 2015, resulting in total dividends for the financial year ending on 30 June 2015 of 7.25 pence per Ordinary Share.

The Company declared a first interim dividend of 3.25p per Ordinary Share for the current year on 26 October 2015 which will be payable to Shareholders on the Register as at 13 November 2015. The New Ordinary Shares issued pursuant to the Initial Issue will not be entitled to this dividend or the fourth interim dividend for the financial year ended 30 June 2015 referred to above.

Scrip Dividends

The Articles permit the Directors, in their absolute discretion, to offer Shareholders the right to elect to receive further Ordinary Shares, credited as fully paid, instead of cash in respect of all or any part of any dividend (a **scrip dividend**). In the event a scrip dividend is offered, an electing Shareholder would be issued new, fully paid up Ordinary Shares (or Ordinary Shares sold from treasury) pursuant to the scrip dividend alternative. The scrip dividend alternative will be available only to those Shareholders to whom Ordinary Shares might lawfully be marketed by the Company.

FURTHER ISSUES OF ORDINARY SHARES

In addition to the authority to disapply the pre-emption rights in respect of the Initial Issue and the Placing Programme which will be sought at the Extraordinary General Meeting, the Board is also seeking authority at its second annual general meeting to be held on 17 November 2015 to allot further Ordinary Shares representing 10 per cent of the Company's issued share capital as at that date. The Company intends to seek annual renewal of this disapplication authority from Shareholders at each annual general meeting.

Except where authorised by Shareholders, no Ordinary Shares will be issued at a price which is less than the Net Asset Value per existing Ordinary Share at the time of their issue unless they are first offered *pro rata* to Shareholders on a pre-emptive basis.

Pursuant to the terms of the Investment Advisory Agreement, the Investment Adviser, or its nominees, may receive Ordinary Shares in respect of the variable fee payable to it, details of which are set out in Part V (Directors, Management and Administration) of this document.

DISCOUNT MANAGEMENT

The Directors have the authority to purchase in the market up to 14.99 per cent. of the Ordinary Shares in issue immediately following the Company's first annual general meeting pursuant to an authority granted at the Company's first annual general meeting. This authority will expire at the conclusion of the Company's second annual general meeting. The Directors have proposed a resolution at the Company's annual general meeting to be held on 17 November 2015 seeking to renew this authority (in respect of 14.99 per cent. of the aggregate number of Ordinary Shares in issue immediately following the second annual general meeting) until the end of the annual general meeting to be held in 2016 or, if earlier, 15 months from the date of the passing of the resolution. The Directors intend to seek annual renewal of this authority from Shareholders at each annual general meeting.

Whether the Company purchases any such Ordinary Shares, and the timing and the price paid on any such purchase, will be at the discretion of the Directors. The Directors will consider repurchasing Ordinary Shares in the market if they believe it to be in Shareholders' interests, in particular as a means of correcting any imbalance between supply of and demand for the Ordinary Shares.

Any purchase of Ordinary Shares will be in accordance with the Articles and the Listing Rules in force at the time. Purchases of Ordinary Shares will be made within the price limits permitted by the Financial Conduct Authority which currently provide for a price not exceeding the higher of: (i) five per cent. above the average of the mid-market values of Ordinary Shares taken from The London Stock Exchange Daily Official List for the five Business Days before the purchase is made; or (ii) the higher of the last independent trade or the highest current independent bid for Ordinary Shares. In any event, purchases of Ordinary Shares will only be made through the market for cash at prices below the last published Net Asset Value per Ordinary Share. Ordinary Shares which are purchased may be cancelled or held in treasury.

Investors should note that the purchase of Ordinary Shares by the Company is entirely discretionary and no expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions. Investors should also note that any repurchase or redemption of Ordinary Shares will be subject to the ability of the Company to fund the purchase price or redemption amount. The Companies Law also provides, among other things, that any purchase is subject to the Company satisfying the solvency test contained in the Companies Law at the relevant time.

DURATION

The Company has been established with an unlimited life. However, under the Articles the Directors are required to propose an ordinary resolution every five years that the Company should cease to continue as presently constituted (a **Discontinuation Resolution**). In addition, the Directors will also be required to propose a Discontinuation Resolution in the event that the aggregate distributions over three years (excluding the Company's first financial year for these purposes) do not exceed the aggregate of the distribution targets over the same three year period. Such a Discontinuation Resolution will be put to Shareholders at the next annual general meeting of the Company following the requirement that it be put to Shareholders is triggered.

In the event that a Discontinuation Resolution is passed, the Directors will be required to formulate proposals to be put to Shareholders within four months to wind up or otherwise reconstruct the Company, bearing in mind the illiquid nature of the Company's underlying assets.

PART III

THE UK SOLAR MARKET AND THE INVESTMENT OPPORTUNITY

The Company confirms that the information extracted from third party sources in this Part III has been accurately reproduced and that, as far as the Company is aware and is able to ascertain from information published by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Sources for the information set out in this Part III are set out underneath each relevant figure or table, as applicable.

MARKET OPPORTUNITY

The increased use of energy from renewable sources, including solar PV, constitutes an important part of the measures being implemented in the European Union and elsewhere to reduce greenhouse gas emissions in order to comply with international, EU and domestic targets.

The main driver for the promotion of renewable energy in the EU is the Renewable Energy Directive. Under the Renewable Energy Directive, the UK Government has a legally binding target for 15 per cent. of energy consumption to be from renewable sources by 2020. The Renewable Energy Directive is a key part of the EU's climate change package which encompasses the "20-20-20" targets, being:

- a 20 per cent. reduction in EU greenhouse gas emissions from 1990 levels by 2020;
- raising the share of EU energy consumption produced from renewable resources to 20 per cent. by 2020; and
- a 20 per cent. improvement in the EU's energy efficiency by 2020.

In addition, the EU ETS (which is applicable in the UK) incentivises low carbon generation of electricity by imposing a cost on emitting carbon dioxide.

Further, the UK's Climate Change Act 2008 establishes a legally binding target to reduce the UK's emissions of greenhouse gases to at least 80 per cent. below 1990 levels by 2050 and provides the framework for carbon budgets to be set in order to achieve this target.

Currently there are three regimes which specifically incentivise the deployment of solar PV technology depending on its size, being the Renewables Obligation, FiTs and CfD FiTs, with the Renewables Obligation having closed to solar PV projects above 5 MW on 1 April 2015 (subject to DECC's grace period criteria) and closing to solar PV projects of 5 MW and below on 1 April 2016 subject to UK parliament approval and any grace period criteria introduced. From 1 April 2017, CfD FiTs will fully replace the Renewables Obligation in respect of new renewable energy projects. Funding for support of solar PV is controlled under the Levy Control Framework.

EU ETS

The EU ETS sits alongside the Renewable Energy Directive. Though solar PV installations are not regulated under the EU ETS, the EU ETS helps to support the growth of renewables by increasing the cost of generating electricity from non-renewable sources by requiring that operators of electricity generating stations purchase and surrender allowances in respect of the greenhouse gas emissions. This "carbon price" is further supported in the UK by the carbon floor price, which is described further below.

RENEWABLES OBLIGATION

The Renewables Obligation supports renewable electricity generation by placing an obligation on licensed electricity suppliers to surrender Renewables Obligation Certificates each year or else pay a buy-out price.

Suppliers source ROCs from generators of electricity from renewable sources. ROCs are awarded by Ofgem according to the generating station's metered output. Different technologies are awarded different amounts of ROCs for each MWh of generation. The value of ROCs fluctuates depending on the actual amount of renewable generation compared to the annual Renewables Obligation target.

Generating facilities accredited for support under the Renewables Obligation are accredited for 20 years. Levels of ROC support for newly accredited projects are adjusted according to pre-determined criteria pursuant to banding reviews. The policy commitment to "grandfathering" ensures that solar PV generating stations should continue to receive the number of ROCs per MWh of generation for which they were first accredited for the duration of their 20 year Renewables Obligation support. However, subject to the outcome of the DECC Consultation and UK parliament approval, the grandfathering of support levels will not be guaranteed for new solar PV projects of 5 MW and below which have not been accredited by 22 July 2015.

In December 2012, DECC announced the result of the consultation on bandings for the Renewables Obligation for solar PV. DECC confirmed the level of Renewables Obligation support for large scale ground based and roof mounted installations for the period 2013-17. The Renewables Obligation was closed to new solar PV projects above 5 MW from 1 April 2015 (subject to certain limited grace periods which allow some projects to accredit after that date). The effect of this decision is to force solar PV projects of more than 5 MW to compete for support under a CfD FiT if they are no longer eligible for support under the Renewables Obligation. Subject to the outcome of the DECC Consultation and UK parliament approval, the Renewables Obligation will be closed to new solar PV projects of 5 MW and below from 1 April 2016 (subject to limited grace periods to be approved by the UK parliament).

FEED-IN TARIFFS

FiTs support renewable electricity generation by requiring certain licensed electricity suppliers to make generation and export payments in respect of certain kinds of renewable electricity generation up to 5MW. New small-scale electricity generating stations (including solar PV) above 50 kW and up to 5 MW in size have the option of choosing support from either the Renewables Obligation or the FiTs scheme. Eligible technologies include solar PV. Generation payments are a fixed payment by the relevant electricity supplier to the FiT generator for every kWh generation by the installation. Export payments are a fixed payment by the relevant electricity supplier to the FiT generator for every kWh exported to the national grid (although electricity can alternatively be sold into the market).

Levels of FiTs are determined by DECC and can only be adjusted pursuant to pre-determined criteria. FiTs for solar PV are now granted for 20 years. Once an installation is FiT accredited, FiT payments are adjusted in accordance with RPI, although DECC has proposed that FiTs will be adjusted in accordance with CPI. The policy commitment to "grandfathering" ensures that solar PV generating stations should continue to receive the FiT for which they were first accredited for the duration of their FiT support. FiT payments for newly accredited FiT installations are reduced over time by a mechanism known as degression. A consultation on the FiT scheme was launched by DECC on 27 August 2015 and, subject to UK parliament approval, it is proposed that the level of FiT generation tariffs will be significantly reduced for solar PV projects.

As the levels of FiT support for solar PV is lower than for other technologies such as offshore wind and onshore wind, it can be inferred that the Government believes that solar PV requires less support than other technologies in order to be deployed.

ELECTRICITY MARKET REFORM

The Government has introduced a number of measures to help achieve its goals in terms of energy supply and efficiency and the promotion of low-carbon energy under EMR. The main proposals in respect of EMR are:

- reform of the support regime for new renewable generation by the introduction of a feed-in tariff by means of CfD FiT for new low carbon generation projects above 5MW (extending support to include nuclear and carbon capture and storage projects, as well as renewables projects);
- a capacity market to ensure that there is sufficient reliable capacity to meet demand; and
- an emissions performance standard for all new fossil fuel plants.

As part of EMR, legislation has already implemented the removal of the exemption for CCL on fossil fuels used for electricity generation and the imposition of a form of CCL on such fuel at the relevant

"carbon price support rate" in the UK, to underpin the cost of emissions allowances under the EU ETS for fossil-fuelled plants at a pre-determined level. This "carbon price floor" or "carbon price support" aims to set a price floor for carbon over the long term to 2030. The original carbon price support trajectory reached £30/tonne of carbon dioxide (tCO2) in 2009 prices by 2020. However, EU ETS carbon prices are now substantially lower than was expected when carbon price support was introduced. The carbon price support rate per tCO2 will therefore be capped at a maximum of £18 from 2016 to 2017 until 2019 to 2020. This will freeze the carbon price support rates across this period at around 2015 to 2016 levels.

The Energy Act 2013 legislated for a number of aspects of the UK Government's current programme of EMR.

FUTURE OF THE RENEWABLES OBLIGATION

Subject to the special rules outlined above in respect of the early closure of the Renewables Obligation to new solar PV projects along with the early closure of the Renewables Obligation to new onshore wind projects, new renewable energy projects will continue to be able to gain accreditation under the Renewables Obligation until 31 March 2017. After 31 March 2017 (subject to limited grace periods), the UK Government intends to close the Renewables Obligation to new accreditation, from when a closed pool of RO-supported electricity capacity will be created which will decrease over time until the end date for the RO of 31 March 2037. ROCs issued after 1 April 2027 will be replaced with "fixed price certificates" a new form of certificate. DECC has indicated that the intention is to maintain levels and length of support for existing participants under the Renewables Obligation with the long term value of a fixed price certificate to be set at the prevailing buy-out price plus a fixed percentage, which the UK Government has said it intends to target as the long term value of the ROC. However, this may not eventually be the case as details have still to be finalised.

INTRODUCTION OF CONTRACT FOR DIFFERENCES FEED-IN TARIFFS

The UK Government has chosen to implement CfD FiTs as the mechanism to incentivise low-carbon generation in the future. The first CfD FiTs have been signed. CfD FiTs are intended to provide better long-term revenue certainty by guaranteeing a contract price for electricity. The CfD FiT counterparty is a single government-owned counterparty known as the Low Carbon Contracts Company Ltd. A compulsory levy on electricity suppliers known as the supplier obligation will fund CfD FiTs.

The duration of support under CfD FiTs is 15 years. CfD FiTs are allocated by way of annual allocation rounds. On 24 July 2014, DECC published a draft Budget Notice in relation to the first allocation round of CfD FiTs. The final Budget Notice was issued on 29 September 2014 and revised on 27 January 2015, prior to the announcement of the results of the first allocation on 26 February 2015.

The budget released for the first allocation round was:

- Pot 1 (established technologies): £50m for projects commissioning from 2015/16 onwards; and
- Pot 2 (less established technologies): £155m for projects commissioning from 2016/17 onwards.

If the budget is insufficient to satisfy all applications for a CfD FiT, projects in the same pot will have to compete with one another for a CfD FiT by way of auctions. Inevitably, the most expensive schemes which require higher Strike Prices will lose out. Solar PV is an "established technology". Budgets will be set for future allocation rounds and there are mechanisms for the allocation of budget to different technologies to be controlled.

The UK Government announced the result of the first CfD FiT allocation round in 26 February 2015 with 5 solar PV projects totalling 71.55 MW of capacity being allocated a CfD FiT.

LEVY CONTROL FRAMEWORK

The "Control framework for DECC levy-funded spending" (**Levy Control Framework**) was first published in March 2011 and then updated in November 2012 and July 2013. The purpose of the Levy Control Framework is to make sure that DECC achieves its fuel poverty, energy and climate

change goals in a way that is consistent with economic recovery and minimising the impact on consumer bills.

The Levy Control Framework sets an overall cap for DECC's tax and spending through policies that entail levy-funded spending in the period to 2020-21. This includes spending relating to support schemes for renewable electricity generation. If forecasts or actual spend are greater than the agreed cap, the Treasury can request that DECC put in place a plan that will bring spending back down within the cap. DECC will need to set a policy such that the central forecast for DECC levy-funded spending is equal to or less than the agreed cap. Where the cap is exceeded, this could ultimately result in the Treasury refusing DECC permission to retain all or part of the tax income received above the agreed cap, which would leave DECC to fund all or part of the spending gap from within its Departmental Expenditure Limit. The cost of CfD FiTs falls within the Levy Control Framework. However, from 1 August 2015, generators are now unable to sell LECs for power generated, with an impact of £5.54/MWh of electricity generated by each qualifying renewable energy plant.

CHANGES TO THE COST OF SOLAR PV

One of the most significant changes to solar PV since regulatory support kick-started the solar PV industry in the UK in 2010 has been the reduction in installation costs. In the period between 2008 and 2012 the cost of solar PV modules fell from an estimated USD4 per watt to USD1 per watt, making solar energy far more cost competitive relative to other renewable energy technologies than it had been previously. This has resulted in solar PV requiring far lower regulatory and legislative support in the form of ROCs or FiTs than was previously the case.

However, the price of solar PV panels has been under scrutiny by competition authorities. On 5 December 2013, the following instruments were published in the Official Journal:

- Council Implementing Regulation (EU) No 1238/2013 of 2 December 2013 imposing an anti-dumping duty and collecting the provisional duty imposed on imports of crystalline silicon photovoltaic modules and key components (i.e. cells) originating in or consigned from the People's Republic of China.
- Council Implementing Regulation (EU) No 1239/2013 of 2 December 2013 imposing a countervailing duty on imports of crystalline silicon photovoltaic modules and key components (i.e. cells) originating in or consigned from the People's Republic of China. The countervailing duties vary from 3.5 per cent. to 11.5 per cent. depending on the company concerned.

A Decision accepting the undertaking of Chinese solar PV panel exporters to commit to stop dumping was also published (Commission Implementing Decision of 4 December 2013 confirming the acceptance of an undertaking offered in connection with the anti-dumping and anti-subsidy proceedings concerning imports of crystalline silicon photovoltaic modules and key components (i.e. cells) originating in or consigned from the People's Republic of China for the period of application of definitive measures). This legislation may have an impact on the costs for solar PV projects in the future.

LONG-TERM VISIBILITY OF SUPPORT

DECC has sought to create stability in the market for investors and to create a long-term sustainable regulatory framework. This is illustrated by the policy commitment to "grandfathering" (which is under review for new solar PV projects of 5 MW and below), the long duration of the Renewables Obligation, CfD and FiT support levels and mechanisms such as banding reviews, degression and the Levy Control Framework which are designed to ensure that levels of support for renewables are sustainable.

PART IV

THE CURRENT PORTFOLIO AND FURTHER INVESTMENTS

The Company has made 24 investments since IPO deploying the proceeds of the IPO, 2014 Tap Issue and the 2014 Placing Programme and part of the Acquisition Facility.

CURRENT PORTFOLIO

The Company's Current Portfolio as at 23 October 2015 (being the latest practicable date prior to the publication of this document) comprises the following 24 investments (unaudited):

Project	Location	ROC Band	MWp	Commissioning Date	PPA Counter-party	Total Commitment (£m)
Ashlawn	Somerset	1.4	6.70	March 2015	EDF	7.56
Betingau	Glamorgan	1.6	9.99	March 2014	NEAS	11.20
Capelands	Devon	1.4	8.40	February 2014	Axpo	8.62
Durrants	Isle of Wight	FiT	5.00	July 2011	Smartest Energy	6.80
Elms	Oxfordshire	1.4	29.00	March 2015	EDF	32.70
Goosewillow	Oxfordshire	1.6	10.64	March 2014	EDF	11.88
Goosewillow Extension	Oxfordshire	1.6	6.29	March 2014	EDF	7.33
Goshawk (10x Thames Water and Adnams)	Surrey/ Oxfordshire/ Suffolk	FiT	1.20	Between July 2011 and September 2012	British Gas	2.36
Hall Farm	Norfolk	1.6	11.45	March 2014	EDF	13.37
Hardingham	Norfolk	1.6	14.84	December 2013	Smartest Energy	17.00
Hardingham Extension	Norfolk	1.4	5.24	December 2013	Smartest Energy	5.75
Hill Farm	Oxfordshire	1.6	15.19	March 2014	EDF	17.30
Hoback	Hertfordshire	1.4	17.52	December 2014	EDF	19.00
Kite	Oxfordshire	FiT	0.82	Between March 2012 and July 2012	E-On	2.20
North Beer	Cornwall	2.0	6.90	March 2013	EDF	9.35
Pentylands	Wiltshire	1.6	19.20	March 2014	Smartest Energy	21.40
Peregrine	Berkshire	FiT	0.43	Between March and July 2012	Good Energy	1.20
Redlands	Somerset	1.4	6.20	February 2015	Axpo	6.37
Rove	Wiltshire	1.4	12.75	February 2015	EDF	13.95
Salhouse	Norfolk	1.3	4.99	1 October 2015	EDF	5.61
Saxley	Hampshire	1.6	5.90	March 2014	Smartest Energy	7.05
Sheppey	Kent	1.4	10.60	June 2014	EDF	12.00
Trethosa	Cornwall	FiT	4.80	1 September 2015	EDF	5.78
West Raynham	Norfolk	1.4	49.99	March 2015	EDF	55.54
Total			**264.04**			**301.31**

The majority of the assets in the Current Portfolio are large ground based and agriculturally situated plants, however, there are two roof-mounted assets. There is the expertise within the Investment Adviser to acquire commercial or industrially situated sites however the current market opportunity is such that it is expected that the majority of the investments made the Company in the medium term will be large, ground based and agriculturally situated sites.

Figure 3: Location of Current Portfolio

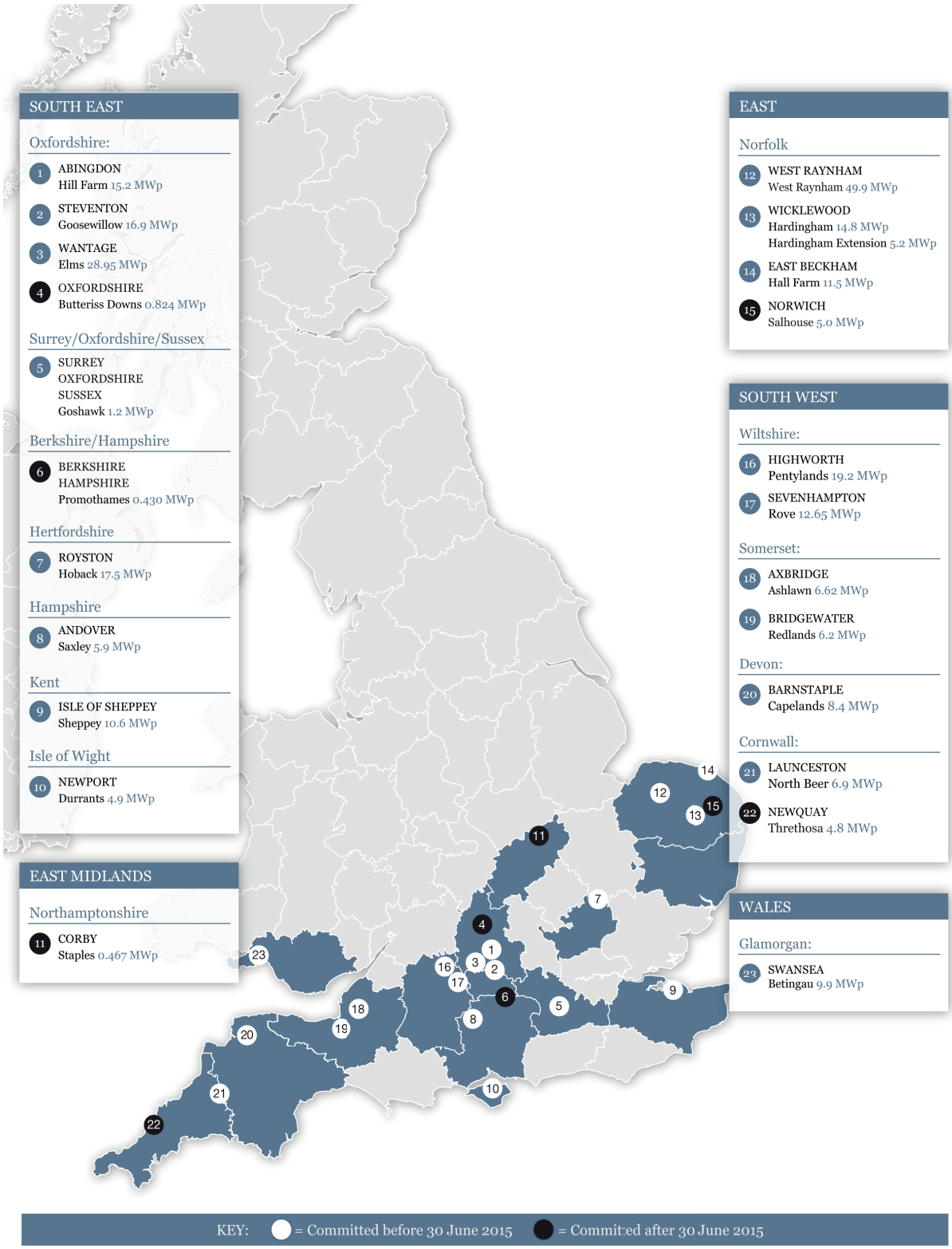
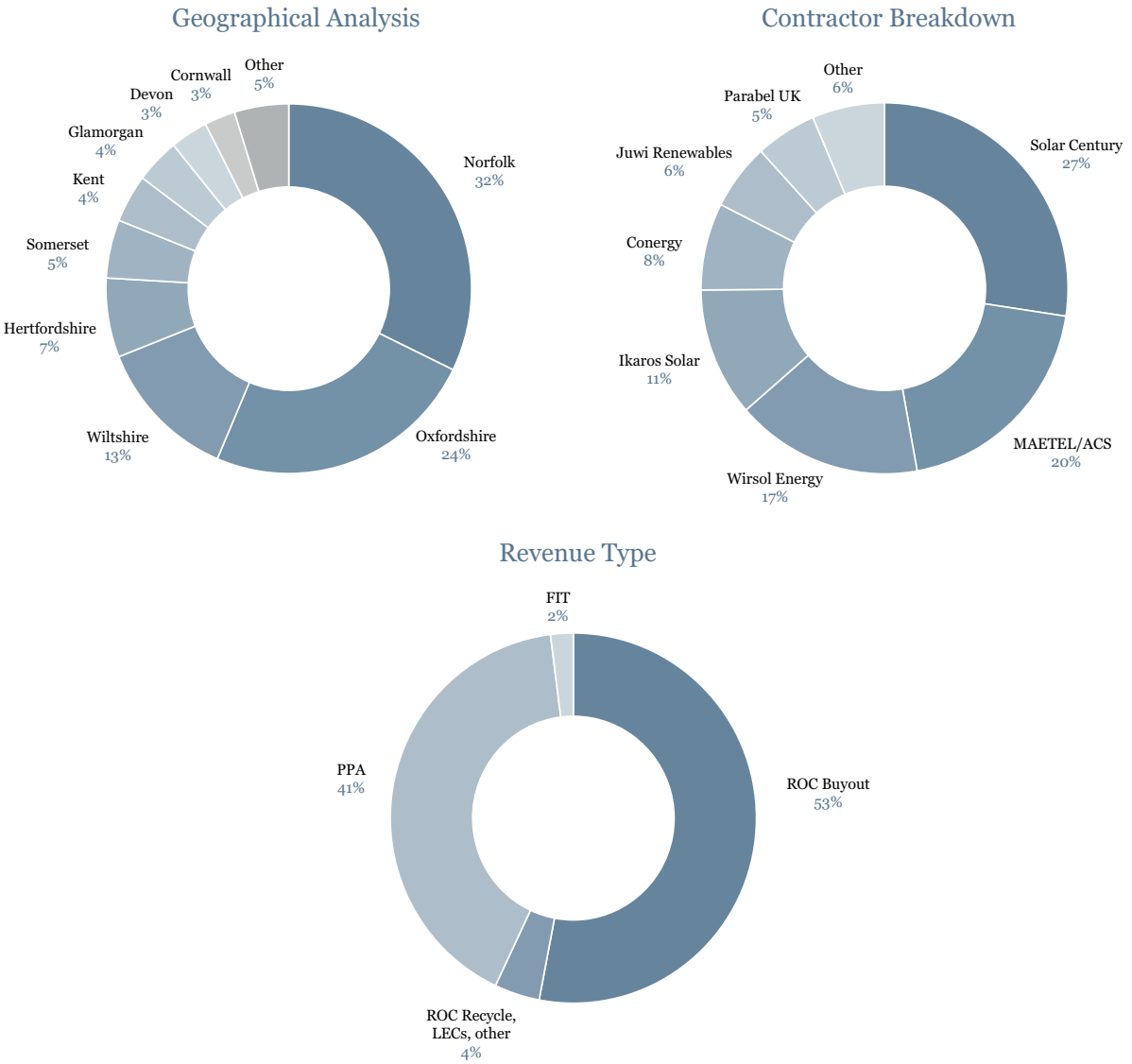


Figure 4: Portfolio Segmentation

The portfolio breakdown by commitments made as at 30 June 2015 (unaudited) is as follows:



ASSET SUMMARIES

Ashlawn, Somerset

On 3 December 2014 terms were agreed with Parabel UK as EPC contractor to build a 6.6 MWp solar farm in Somerset. The project became operational in March 2015 and has been accredited under the 1.4 ROC regime. The plant uses Q-cell modules and Huawei inverters and was funded with the proceeds of a placing under the 2014 Placing Programme completed in November 2014.

Betingau, Glamorgan

The acquisition of the 9.9 MWp plant was agreed in December 2013 and resulted in a total commitment of £11.2 million. The contractor was Spanish based Prosolia and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Sharp, REC and Trina and inverters from Gamesa. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Capelands & Redlands, Somerset/Devon

On 25 July 2014 terms were agreed with Juwi Renewables as EPC contractor to build two solar farms in Devon (8.4 MWp) and Somerset (6.2 MWp) respectively. The projects became operational in March

2015 and have been accredited under the current 1.4 ROC regime. The plants use S-Energy modules and SMA inverters and were funded initially through the Company's £50 million Acquisition Facility and then latterly with the proceeds of issuance of 7.5 million Ordinary Shares issued pursuant to a placing under the 2014 Placing Programme on 27 November 2014.

Durrants, Isle of Wight

The acquisition of the 4.9 MWp plant was agreed in October 2014 as part of the purchase of Bluefield L&P Solar Limited and included the taking over of a finance facility from Bayern LB of £14.5 million. The project was acquired as an operational asset (with a 2 year performance record) under the FiT regime. The plant was constructed by a German contractor, REC, and uses modules from REC and inverters from SMA and Advanced Energy. The investment was funded through the shareholder approved issue of fully paid Ordinary Shares in October 2014.

Elms, Oxfordshire

On 13 February 2015 terms were agreed with Wirsol Energy as EPC contractor to build a 29.0 MWp solar farm in Oxfordshire. The project became operational in March 2015 and has been accredited under the 1.4 ROC regime. The plant uses Astronergy modules and SMA string inverters and was funded with the proceeds of a placing under the 2014 Placing Programme completed in November 2014.

Goosewillow and Goosewillow Extension, Oxfordshire

The acquisition of the 16.9 MWp plant was agreed in two phases, between August and December 2013, and resulted in a total commitment of £19.1 million. The contractor was Belgium based Ikaros Solar and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Trina and Yingli and inverters from SMA. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Goshawk, Surrey, Oxfordshire, Suffolk

The acquisition of Project Goshawk, a 1.2 MWp portfolio consisting of 11 operating projects, was agreed in October 2014 as part of the purchase of Bluefield L&P Solar Limited. The projects are all registered under the FiT regime and were constructed by British Gas. The plants use modules from Trina and Suntech with inverters from SMA. The investment was funded through the shareholder approved issue of fully paid Ordinary Shares in October 2014.

Hall Farm, Norfolk

The acquisition of the 11.5 MWp plant was agreed in December 2013 and resulted in a total commitment of £13.4 million. The contractor was Ikaros Solar and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Hanwha Solar One and inverters from Danfoss. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Hardingham, Norfolk

The acquisition of the 14.8MWp plant was agreed in September 2013 and resulted in a total commitment of £17.0 million. The contractor was British based Solar Century and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Hanwha and inverters from Power One. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Hardingham Extension, Norfolk

In November 2014 terms were agreed with Solar Century as EPC contractor to build a 5.2 MWp extension to Project Hardingham in Norfolk. The project became operational in February 2015 and has been accredited under the 1.4 ROC regime. The plant uses Hanwha modules and Power One inverters and was funded with the proceeds of a placing under the 2014 Placing Programme completed in November 2014.

Hill Farm, Oxfordshire

The acquisition of the 15.2 MWp plant was agreed in October 2013 and resulted in a total commitment of £17.3 million. The contractor was Solar Century and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Yingli and inverters from SolarMax. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Hoback, Hertfordshire

The acquisition of the 17.5 MWp plant was agreed in June 2014 and resulted in a total commitment of £19.0 million. The contractor was Solar Century and the plant was grid connected in November 2014, within the 1.4 ROC regulatory period. The plant uses modules from Jinko Solar and inverters from SolarMax. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of a placing under the 2014 Placing Programme completed in November 2014 and the Acquisition Facility.

North Beer, Cornwall

The acquisition of the 6.9 MWp plant was agreed in October 2013 and resulted in a total commitment of £9.4 million. The contractor was German based Parabel AG and the project was grid connected in the 2 ROC regulatory period. The plant uses modules from Hareon and inverters from Refusol and Siemens. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Pentylands, Wiltshire

The acquisition of the 19.2 MWp plant was agreed in February 2014 and resulted in a total commitment of £21.4 million. The contractor was British contractor Wirsol, now rebranded Conergy UK and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Astronergy and inverters from Power One. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO and 2014 Tap Issue.

Rove, Wiltshire

On 23 December 2014 terms were agreed with Wirsol Energy as EPC contractor to build a 12.7 MWp solar farm in Wiltshire. The project became operational in March 2015 and has been accredited under the 1.4 ROC regime. The plant uses Astronergy modules and Advanced Energy/Refusol string inverters and was funded with the proceeds of a placing under the 2014 Placing Programme completed in November 2014.

Salhouse, Norfolk

On 24 July 2015 terms were agreed with Wirsol Energy as EPC contractor to build a 5.0 MWp solar farm in Norfolk. The project is currently under construction and is expected to be accredited under the 1.3 ROC regime. The plant will use REC modules and Huawei inverters and is being funded through the Acquisition Facility.

Saxley, Hampshire

The acquisition of the 5.9MWp plant was agreed in December 2013 and resulted in a total commitment of £7.1 million. The contractor was Solar Century and the project was grid connected in the 1.6 ROC regulatory period. The plant uses modules from Hanwha Q-Cells and inverters from Power One. The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Sheppey, Kent

The acquisition of the 10.6 MWp plant was agreed in January 2014 and resulted in a total commitment of £12.0 million. The contractor was Solar Century and the project was grid connected in the 1.4 ROC regulatory period. The plant uses modules from Yingli and inverters from SolarMax.

The Company owns 100 per cent. of the plant via Holdco and the investment was funded utilising the proceeds of the IPO.

Trethosa, Cornwall

On 24 July 2015 terms were agreed with Wirsol Energy as EPC contractor to build a 4.8 MWp solar farm in Cornwall. The project is currently under construction and is expected to be accredited under the 1.3 ROC regime. The plant will use REC modules and Huawei inverters and is being funded through the Acquisition Facility.

West Raynham, Norfolk

On 27 March 2015 terms were agreed with Trina Solar to acquire a 49.9 MWp solar farm in Norfolk. The acquisition of a 90 per cent. shareholding was concluded on 30 June 2015 with the remaining 10 per cent. being under option for completion at a fixed price, and the Company benefits from 100 per cent. of revenues generated by the plant since its commencement of operation in March 2015. The project was constructed by MAESSA Telecomunicaciones, Ingenieria, Instalaciones y Servicios S.A. ("MAETEL"), a subsidiary of Spanish infrastructure multinational Grupo ACS and has been accredited under the 1.4 ROC regime. The plant uses Trina modules and Power Electronics inverters and has been funded with the remaining proceeds of a placing under the 2014 Placing Programme completed in November 2014 as well by drawings under the Acquisition Facility. The plant is currently the largest operational solar PV plant in the UK.

Projects Kite, Peregrine and Solar, Oxfordshire, Berkshire & Northants

On 21 August 2015 terms were agreed with private shareholders for a 100 per cent. subsidiary of Holdco to acquire three solar PV portfolio holding companies, projects Kite, Peregrine and Solar. Each project company holds one or more operational solar PV plants located on, and connected to, industrial sites in the UK. Purchase of 100 per cent. of projects Kite and Peregrine completed on 21 August 2015 comprising the acquisition of 28 20-50kW plants on sites owned by Thames Water Utilities and one 50kW plant on the site of the Millennium Seed Bank in Wakehurst Place, part of the Kew Gardens Trust. The acquisition of project Solar, a further 463kW solar PV plant in Northants has been agreed but is pending fulfilment of certain conditions precedent prior to completion.

FURTHER INVESTMENTS

The Company has demonstrated an ability to scale its portfolio rapidly and efficiently, as seen with the investment of the net proceeds from the IPO, the 2014 Tap Issue, the 2014 Placing Programme and the monies drawn down under the Acquisition Facility, whilst maintaining significant contractual protection for its Shareholders. This is highlighted by its approach to funding assets through the construction phase. The Company has two primary routes to acquisition: (i) it will look to acquire either secondary, operational assets, as seen in the case of the North Beer, taking over the assets once fully operational and grid connected; and (ii) it will make payments to contractors throughout the construction phase, taking over the asset post grid connection. This approach, which delivered the majority of the Current Portfolio, seeks to maximise the Company's control and influence during the construction phase whilst minimising the risk to Shareholders. Typically, construction agreements are structured with significant protections such as the contractor taking full responsibility to deliver the plant at a fixed cost and guaranteed timing. Examples of typical contractual protections are:

- the contractor guarantees the date of connection and for each day of delay, payment is received to compensate for the revenue forgone;
- fixed price build contract where the contractor is required to meet the additional cost or a rejection right is triggered; and
- the ROC banding is agreed and in the case the plant qualifies for a lower banding due to delays, the acquisition price is adjusted to enable the same investor return to be achieved.

During the construction phase, milestone payments will typically be backed by bank bonds or parent company guarantees and security over equipment to ensure that any capital provided before completion is recoverable.

Once the asset is operational, it is standard for the contractor to warrant its performance. Typically, over the first two years of operation, the contractor will compensate for revenue foregone in the event that efficiency in converting irradiation to energy is below the 'warranted level' (typically 80 to 85 per cent.). This obligation is normally backed by callable security in the form of a bank bond or parent guarantee and takes the form of a one-off price adjustment to put the Company's return back in line with its base case. If the underperformance exceeds a specified cap then this typically triggers a right to reject the plant whereby the Company is entitled to recover its full investment.

Pipeline

The Investment Adviser has secured exclusivity agreements on behalf of the Company, which comprises a portfolio with a total capacity of 258 MWp across 25 solar PV projects widely distributed across England, Scotland and Wales. Each project under exclusivity qualifies under the ROC scheme, though the green field projects, being sub-5MW, all have the opportunity to qualify alternatively under the FiT scheme. The projects have been, or will be, constructed by five contractors with whom the Investment Adviser is familiar. The total consideration required to complete the acquisition of all assets in the pipeline would be approximately £270 million, to be sourced from a combination of the proceeds of the Initial Issue and the Placing Programme and an extension of the Acquisition Facility. The Investment Adviser has provided the Board with a preliminary review of the overall portfolio pipeline under exclusivity, but the individual projects within the pipeline remain subject to full due diligence, final Board approval and execution of documentation.

In addition to the pipeline under exclusivity, the Investment Adviser is exploring a large number of both primary and secondary project opportunities upon which it intends to enter exclusivity agreements, subject to securing availability of sufficient funding. To realise the acquisition of the pipeline assets, the Company will utilise the Acquisition Facility as a short term financing, which it intends will be replaced by long term structural debt (subject to the approvals referred to in the section headed "Acquisition Facility" in Part II of this document) as well as further equity, with a target long term leverage of 25-35 per cent. of GAV, and in all cases the combined short term and long term leverage will not exceed 50 per cent. of GAV.

Exclusive access to development pipeline through captive development team

In anticipation of establishing the Company, the Investment Adviser established and staffed BER, a specialist solar development company in 2013. The owners of the Investment Adviser retain 100 per cent. ownership of BER and two of Bluefield's managing partners (James Armstrong, Mike Rand and Giovanni Terranova) sit as non-executives on BER's board of directors.

BER has been appointed by Thompson Taraz Collectives Limited (TTCL), an independent fund manager, as its adviser in connection with the management of the Bluefield Development Fund and BER's services include sourcing investment opportunities, providing development consultancy services to take investments from inception to fully permitted status, and project management and other services to the SPVs in which the Bluefield Development Fund invests.

The Investment Adviser's proprietary access to the Bluefield Development Fund pipeline has been achieved through the Investment Adviser entering into a pipeline agreement with TTCL and BER (the **Pipeline Agreement**) under which the Investment Adviser has granted a right of first refusal to the Group in respect of any projects within the Company's investment policy to which the Investment Adviser gains any exclusivity or right of first refusal, subject to the value of investment being not less than £5.0 million (whether in terms of the amount to be funded or the purchase price for the relevant asset).

The Group will have no obligation to buy any DevCo from the Bluefield Development Fund and any decision to acquire a DevCo will be subject to the approval of the Company's Board of Directors, following a recommendation from both the Investment Adviser's Investment Committee and Holdco's Investment Committee, in accordance with the investment approval process described in Part V of this document.

On any sale of a DevCo (whether to the Group or any other purchaser), BER will be entitled to 20 per cent. of the profits realised on the sale by the Bluefield Development Fund, such profit share to be

payable by the DevCo. In view of James Armstrong and Giovanni Terranova acting as non-executive directors of BER and also as directors of the DevCos, they will not vote on any decision by the Investment Adviser's Investment Committee to recommend to the Group the proposed acquisition of any DevCo from the Bluefield Development Fund. In addition, BER has no authority to take investment decisions on behalf the Bluefield Development Fund and any decision to sell a DevCo will be taken by TCCL.

Whilst the proprietary access to project pipeline through BER and the Bluefield Development Fund may to be a source of dealflow for the Company, the Company has no obligation to off-take projects from the Bluefield Development Fund and the Investment Adviser is actively working with other solar project developers as complimentary and potentially competing sources of deal flow.

PART V

DIRECTORS, MANAGEMENT AND ADMINISTRATION

DIRECTORS

The Board comprises four directors, each of whom is non-executive and independent of the Investment Adviser. Details of each of the Directors are set out below.

John Rennocks (*Chairman*)

John Rennocks is a non-executive deputy chairman of Inmarsat plc and a non-executive director of Greenko Group plc, a developer and operator of hydro and wind power plants in India. He has broad experience in emerging energy sources, support services and manufacturing. Mr Rennocks previously served as a non-executive director of Foreign & Colonial Investment Trust plc, as well as several other public and private companies, and as Executive Director-Finance for Smith & Nephew plc, Powergen plc and British Steel plc/Corus Group plc. Mr Rennocks is a Fellow of the Institute of Chartered Accountants of England and Wales.

Paul Le Page (*Chairman of the Audit Committee*)

Paul Le Page is a director of FRM Investment Management Limited and Man Fund Management Guernsey Limited, which are subsidiaries of Man Group Plc. He is responsible for managing hedge fund portfolios, and is a director of a number of FRM funds. Mr Le Page is currently Audit Committee Chairman for UK Mortgages Limited. He was formerly a Director of, and Audit Committee Chairman for, Cazenove Absolute Equity Limited and Thames River Multi Hedge PCC Limited. He has extensive knowledge of, and experience in, the fund management and the hedge fund industry. Prior to joining FRM, he was an Associate Director at Collins Stewart Asset Management from January 1999 to July 2005, where he was responsible for managing the firm's hedge fund portfolios and reviewing fund managers. He joined Collins Stewart in January 1999 where he completed his MBA in July 1999. He originally qualified as a Chartered Electrical Engineer after a 12-year career in industrial research and development, latterly as the Research and Development Director for Dynex Technologies (Guernsey) Limited, having graduated from University College London in Electrical and Electronic Engineering in 1987.

Laurence McNairn

Laurence McNairn was appointed as a non-executive director of the Company on 1 July 2013 and is a member of The Institute of Chartered Accountants of Scotland. He is an executive director of Heritage International Fund Managers Limited, the Company's Administrator and Secretary. He joined the Heritage Group in 2006 and prior to this worked for the Baring Financial Services Group in Guernsey from 1990.

John Scott

John Scott is a former investment banker who spent 20 years with Lazard and is currently a director of several investment trusts. Mr Scott has been Chairman of Scottish Mortgage Investment Trust PLC since December 2009 and Chairman of Impax Environmental Markets plc since May 2014; he has also been Chairman of Alpha Insurance Analysts since April 2013. Until the company's sale in March 2013 he was Deputy Chairman of Endace Ltd. of New Zealand and in November 2012 he retired after 12 years as a non-executive director of Miller Insurance. He has an MA in Economics from Cambridge University and an MBA from INSEAD; he is also a Fellow of the CII and of the CISI.

The business address of the Directors is the registered office of the Company.

MANAGEMENT

The Directors are responsible for managing the business affairs of the Company in accordance with the Articles and the investment policy and have overall responsibility for the Company's activities including its investment activities and reviewing the performance of the Company's portfolio.

The Directors may delegate certain functions to other parties such as the Investment Adviser, the Administrator and the Registrar. In particular, the Directors have delegated responsibility for day to day management of the assets comprised in the Company's portfolio to the Investment Adviser, but all investment decisions will be taken by the Board, having regard to advice from the Investment Adviser. The Directors also have responsibility for exercising overall control and supervision of the Investment Adviser.

CORPORATE GOVERNANCE

The GFSC issued a Corporate Governance Code (the **GFSC Code**) which came into effect on 1 January 2012 and which applies to Guernsey regulatory licensees and collective investment schemes. The Company has voluntarily committed to comply with the UK Corporate Governance Code (the **UK Code**) and the AIC Code (as defined below). Companies which report against the UK Code or the AIC Code are deemed to meet the requirements of the GFSC Code.

The Listing Rules require that the Company must "comply or explain" against the UK Code. In addition, the Disclosure and Transparency Rules require the Company to (i) make a corporate governance statement in its annual report and accounts based on the code to which it is subject, or with which it voluntarily complies; and (ii) describe its internal control and risk management arrangements.

The Directors recognise the value of the UK Code and have taken appropriate measures to ensure that the Company complies, so far as is possible given the Company's size and nature of business, with the UK Code. The areas of non-compliance by the Company with the UK Code are as follows:

There is no chief executive position within the Company, which is not in accordance with provision A.2.1 of the UK Code. As an investment company the Company has no employees and therefore no requirement for a chief executive.

The Company has not established a nomination committee or a remuneration committee, which is not in accordance with provisions B.2.1 and D.2.1 respectively of the UK Code. As all of the Directors are independent and non-executive, the Company considers that the Board as a whole can fulfil the role otherwise undertaken by such committees.

AIC Code

The Board has agreed to comply with the AIC Code of Corporate Governance produced by the Association of Investment Companies. The Company is a member of the AIC.

Audit Committee

The Company's Audit Committee, comprising all the Directors meets formally at least twice a year for the purpose, amongst other things, of considering the appointment, independence and remuneration of the auditor and to review the annual accounts, interim reports and interim management statements. Where non-audit services are to be provided by the auditor, full consideration of the financial and other implications on the independence of the auditor arising from any such engagement will be considered before proceeding. Mr Le Page acts as chairman of the Audit Committee. The principal duties of the Audit Committee are to consider the appointment of external auditors, to discuss and agree with the external auditors the nature and scope of the audit, to keep under review the scope, results and cost effectiveness of the audit and the independence and objectivity of the auditor, to review the external auditors' letter of engagement and management letter and to analyse the key procedures adopted by the Company's service providers.

Other committees

As noted above, the Board fulfils the responsibilities typically undertaken by a nomination committee and a remuneration committee. The Board as a whole also fulfils the functions of a management engagement committee and reviews the actions and judgments of the Investment Adviser and also the terms of the Investment Advisory Agreement.

Directors' Share dealings

The Directors have adopted a code of directors' dealings in Ordinary Shares, which is based on the Model Code for directors' dealings contained in the Listing Rules (the **Model Code**). The Board is responsible for taking all proper and reasonable steps to ensure compliance with the Model Code by the Directors.

THE INVESTMENT ADVISER

The Investment Adviser is a limited liability partnership registered in England (registered number: OC348071) with its principal place of business at 53 Chandos Place, London WC2N 4HS and is authorised and regulated by the UK Financial Conduct Authority under number 507508. The Investment Adviser has been appointed pursuant to the Investment Advisory Agreement, which is summarised in paragraph 5(a) of Part XII of this document.

The Investment Adviser was founded in 2009 and is led by its founding managing partners, James Armstrong, Mike Rand and Giovanni Terranova, who joined the business in 2009. They are supported by an experienced executive team working from the London office.

The Investment Adviser's managing partners have a combined track record, prior to Bluefield, of investing in or project financing approximately £7 billion of renewable and conventional energy projects.

The managing partners have been involved in over c.£800 million of solar PV deals in both the UK and Europe since 2008, including over £390 million of solar PV transactions in the UK since December 2011, including the Company.

Bluefield's non-executive team includes William Doughty, the founding CEO of Semperian; Dr. Anthony Williams, the former chair of the Risk Committee for the Fixed Income, Currencies & Commodities Division, and Partner, at Goldman Sachs & Co; and Jon Moulton, the current chairman of Better Capital and former managing partner and founder of Alchemy Partners.

INVESTMENT COMMITTEE

The Investment Adviser's Investment Committee comprises William Doughty (Chairman), Dr. Anthony Williams, Mike Rand, Giovanni Terranova and James Armstrong. The committee members have a combined experience of over £17 billion of large scale infrastructure investments and have extensive experience of the acquisition and disposal of large scale infrastructure. Key sector experience includes renewable energy, conventional energy and social infrastructure.

James Armstrong

James Armstrong is a founder of the Investment Adviser and is one of the three managing partners. James has worked in renewable energy investment since 2006, and solar energy since 2007. He has been involved in over £500 million of solar funds and/or transactions in the UK & Europe since 2008 at, and prior to founding, Bluefield. He has worked in alternative asset investment since 2002 and has been focused on markets driven by government regulation. Prior to founding Bluefield, James was a director at Foresight Group where, from 2006, he was involved in the establishment of its first renewable energy fund and its first specialised solar energy infrastructure fund. It was at Foresight that James first worked with the other founding partners of Bluefield, Mike Rand and Giovanni Terranova.

James has served as Board Director on a number of UK based solar energy asset companies. He is a regular speaker or panellist at solar and infrastructure conferences. James has a BA (Hons) in History from Newcastle University.

Mike Rand

Mike Rand is a founder of the Investment Adviser and is one of the three managing partners. He has worked in investment and finance since 1999, with energy sector experience dating from 2002. Mike has participated in the financing of energy and infrastructure transactions with a total value of over £1.2 billion across Europe, America and Africa, including a significant number of transactions in solar

PV in the UK and Europe. Mike has been involved in over £500 million of UK and European solar energy transactions at, and prior to founding, Bluefield. Prior to founding Bluefield, Mike was investment director for Foresight Group, taking leading roles in equity investment and project financing of the solar energy portfolio for the Foresight European Solar Fund. It was at Foresight that Mike first worked with the other founding partners of Bluefield, James Armstrong and Giovanni Terranova.

Mike previously worked as Principal Banker in the Energy Group at the European Bank for Reconstruction and Development, with a particular focus on renewable energy; and as Investment Associate at Actis Capital LLP, formerly CDC Group. During his career Mike has taken responsibility for the management of a number of equity portfolios in the energy sector and his experience includes project mergers, exits and restructurings.

Mike has served as Board Director on a number of UK based solar energy asset companies. Mike has an MA in Economics from Cambridge University and has presented at a number of international renewable energy conferences.

Giovanni Terranova

Giovanni Terranova is a founder of the Investment Adviser and is one of the three managing partners. He is an energy finance specialist having worked in banking, advisory and private equity since 2000, with a particular focus on energy and renewables since 2005. Giovanni has participated in the funding of over £6.4 billion of energy transactions globally. He has been involved in over £740 million of UK and European solar energy transactions at, and prior to founding, Bluefield. Giovanni's previous responsibilities include investment director at Foresight Group, taking a leading role in the project financing of the solar energy portfolio for the Foresight European Solar Fund. It was at Foresight that Giovanni first worked with the other founding partners of Bluefield, James Armstrong and Mike Rand. Giovanni previously worked in the Energy Group at Fortis Bank where he focussed on renewable energies and was instrumental in establishing the Bank's competence centre in solar energy.

Giovanni has served as the President of the Board of Directors on two Italian solar energy companies. He has as MBA from Luiss School of Management, Rome, and an MSc in Power Engineering. Giovanni has presented at a number of international renewable energy conferences and published research on the solar energy sector in 1998.

William Doughty

William Doughty is a partner in Bluefield and is chairman of the Bluefield Partners LLP investment committee. He is an infrastructure and fund management specialist. He is the former founding executive chairman of Semperian Group, one of the largest PPP (**Public Private Partnership**) investors in Europe at that time, managing a £1.4 billion infrastructure fund, with 106 projects under management. William was a former board director of Land Securities Trillium, responsible for its infrastructure and PPP activities. He was personally responsible for the establishment, management and sale of the Secondary Market Infrastructure Fund (**SMIF**) to Land Securities. He was previously responsible for the management and realisation of a £3 billion infrastructure portfolio for Abbey National.

William's previous board positions include Land Securities Trillium, Sydney Airport, Macquarie's Airport Group and Portsmouth Water. He has been an investor in solar energy funds managed by Bluefield's Managing Partners prior to, and since, Bluefield was established.

Dr. Anthony Williams

Anthony Williams is a partner in Bluefield, the chairman of Bluefield Partners LLP and chairman of the Bluefield Partners LLP valuation committee. He is a financial risk management specialist. He was formerly a partner and managing director at Goldman Sachs & Co. where he worked for over 10 years. During his time at Goldman Sachs, he was responsible for building the firm's Fixed Income Arbitrage and Swaps businesses. In addition to his positions as Global Head of Fixed Income Arbitrage and Global Co-Head of Swaps, during his tenure Anthony took responsibility for managing

risk across the firm's global Fixed Income, Currency and Commodities trading activities as Chair of the Risk Committee for the Fixed Income, Currency and Commodities Division.

Previously, he held a Research Fellowship in Radio Astronomy at St John's College Cambridge where he was Director of Studies in Mathematics for Natural Sciences. Anthony has a BA, MA and PhD from Cambridge University where he studied Physics.

OTHER PARTNERS

Jon Moulton

Jon Moulton is a partner in Bluefield Partners LLP and brings over 30 years' specialist experience in private equity investing. He is currently the Chairman of BECAP GP Limited and BECAP12 GP Limited, the general partner of the Better Capital Funds. This followed 13 years as the founding managing partner of Alchemy Partners, where he was responsible for building the business to become a leading UK private equity investor, and investing over £2 billion with a focus on turnaround and distressed assets. Jon's prior responsibilities included his role as director at Apax Partners, managing partner at Schroder Ventures, and managing director at Citicorp Venture Capital. He is a qualified Chartered Accountant, is a well-known representative of the private equity industry and has been a source of government and media consultation on wide ranging private equity and tax issues. He is the non-executive chairman of FinnCap, the stockbrokers and chairman of the Channel Island Securities Exchange. He has also been appointed a member of the advisory board for the £2.8 billion UK Regional Growth Fund.

Jon does not have any day-to-day involvement in the running of Bluefield Partners LLP.

SELECTED SENIOR EXECUTIVES

The partners are backed by a highly experienced, dedicated team of investment and administrative professionals working out of the London office. The team previously worked for major European and UK based energy utilities, renewable energy investment funds, developers and EPC and generalist private equity firms.

TRACK RECORD

The Investment Adviser has been operating in the UK market since its establishment in 2009 and in 2011 acquired one of the first large-scale solar plants to be developed and constructed in the UK market which was grid connected in July 2011 under the UK's first solar PV feed-in tariff legislation. When the Investment Adviser established the Company it was the first large scale solar focused fund to be listed on the London Stock Exchange. The Investment Adviser has been involved in over £390 million of UK based solar transactions to date.

INVESTMENT PROCESS AND STRATEGY

Through its track record of investment in the UK solar energy market the Investment Adviser has developed a rigorous approach to investment selection, appraisal and commitment. This investment process is based upon repeat transaction experience with specialist advisors; application of standardised terms which have been developed and refined based upon direct experience of operating solar assets; and through a rigorous internal approval process prior to issuing investment recommendations. All investment recommendations by the Investment Adviser (including investment and divestment recommendations) are subject to review and approval by the Company's experienced Board of Directors.

Repeat transaction experience with specialist advisors

The Investment Adviser has worked with legal, technical, insurance and accounting advisors in each of the transactions it has executed in the UK market. This direct experience has enabled it to develop an understanding of key areas of competence to address specific issues; for example, identifying specific individuals who are expert in advising in specific detailed technical aspects of a project. Through this direct specialist experience the Investment Adviser is able to source relevant expertise to address project issues both during and following a transaction.

Application of standardised terms developed based upon direct experience

The Investment Adviser has developed standardised terms which have been specifically tested by reference to real transaction and project operational experience. Whilst contract terms are specifically negotiated and tailored for each individual project, solar project contracts applied by the Investment Adviser typically have specific protections from the construction contractor regarding recovery of revenue losses for underperformance and obligations for correction of defects. Both such provisions have been specifically exercised by Bluefield giving it direct experience in activating contractual protections.

Rigorous internal approval process

All investment recommendations issued to the Company, and all investment recommendations made in relation to previous transactions of the Investment Adviser are made following the formalised review process described below:

(1) ***Investment origination and review by Managing Partners***

Before incurring costs in relation to the preparation of a transaction a project is concept reviewed by the Investment Advisor's Managing Partners, following which a letter of interest or memorandum of understanding is issued and project exclusivity is secured.

(2) ***Director Concept Approval***

In the event that material costs are to be incurred in pursuing a transaction a concept paper is issued by the Investment Adviser for review by the Directors of the Company. This concept review fixes a project budget as well as confirming the project proposal is in line with the Company's investment policy and strategy.

(3) ***Due diligence***

In addition to applying its direct commercial experience in executing solar PV project acquisitions and managing operational solar plants, the Investment Adviser engages legal, technical and, where required, insurance and accounting advisors to undertake independent due diligence in respect of a project. Where specialist expertise is required due to project specificities, the Investment Adviser has experience in identifying relevant experts.

(4) ***Bluefield Investment Committee***

Investment recommendations issued by the Investment Adviser and the Holdco Board are made following the submission of a detailed investment paper to Bluefield's Investment Committee. Bluefield's Investment Committee operates on the basis of unanimous consent and has a track record of making detailed evaluation of project risks. The investment paper submitted to Bluefield's Investment Committee will disclose all interests which the Investment Adviser and any of its affiliates may have in the proposed transaction and in the case of any investment proposal concerning an asset sourced from the Bluefield Development Fund, neither James Armstrong, Giovanni Terranova nor Mike Rand (all of whom are non-executive Directors of BER and may act as directors of the DevCo's offered for sale to the Group), will vote on any decision to recommend the proposed transaction.

(5) ***Holdco Board recommendation***

Following approval by Bluefield's Investment Committee, investment recommendations are issued by the Investment Adviser to the Holdco Board for review prior to the Group Board. The Holdco Board consists of two directors from the Investment Adviser and John Rennocks and John Scott. The Holdco Board will review the investment recommendation, and if appropriate, will recommend the investment recommendation by the Investment Adviser to the Board of the Company.

(6) ***Company Board Approval***

Following approval by Bluefield's Investment Committee, investment recommendations are issued by the Investment Adviser to the Group for review by the Board of the Company. The

Board undertakes detailed review meetings with the Investment Adviser to assess the project prior to determining any approval. The Board's approval is required in order for a transaction to be approved. If the Board approves the relevant transaction, the board of directors of each of the relevant Group companies will have the authority to implement the investment decision made by the Board, within the parameters agreed by the Board, and the Investment Adviser is authorised to execute the transaction in accordance with the Investment Adviser's recommendation and any condition stipulated in the Board's approval.

(7) ***Closing Memorandum***

Prior to executing the transaction the Investment Adviser completes a closing memorandum confirming that the final transaction is in accordance with the terms presented in the investment paper to the Investment Committee, detailing any material variations and outlining how any conditions to the approval of the Investment Committee and/or Board approval have been addressed. This closing memorandum is countersigned by an appointed member of the Investment Committee prior to closing of the transaction.

CONFLICTS OF INTEREST

The Investment Adviser and any of its members, directors, officers, employees, agents and connected persons, 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 potential conflicts of interest with the Company and its investments. Interested Parties may provide services similar to those provided to the Group to other entities and will not be liable to account for any profit earned from any such services. In particular, BER, a company which is under common control with the Investment Adviser, provides project management and other services to Special Purpose Companies in which the Bluefield Development Fund invests, and BSL, a company under common control with the Investment Adviser, provides asset management services to the Group.

The Special Purpose Companies owning the solar PV assets developed by the Bluefield Development Fund may be sold to, or funded by, the Company in accordance with the pipeline arrangements, further details of which are set out in Part IV of this document, and on any sale of shares in the Special Purpose Companies, BER will be entitled to 20 per cent. of the profits realised on the sale by the Bluefield Development Fund.

The Investment Adviser and its directors, officers, employees and agents will at all times have due regard to their duties owed to members of the Group and where a conflict arises they will endeavour to ensure that it is resolved fairly. Subject to the arrangements explained above, the Company may (directly or indirectly) acquire securities from or dispose of securities to any Interested Party or any investment fund or account advised or managed by any such person. An Interested Party may provide professional services to members of the Group (provided that no Interested Party will act as auditor to the Company) or hold Ordinary Shares and/or C Shares and buy, hold and deal in any investments for their own accounts, notwithstanding that similar investments may be held by the Group (directly or indirectly).

An Interested Party may contract or enter into any financial or other transaction with any member of the Group or with any shareholder or any entity, any of whose securities are held by or for the account of the Group, or be interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions to which it is contractually entitled in relation to any sale or purchase of any investments of the Group effected by it for the account of the Group, provided that in each case the terms are no less beneficial to the Group than a transaction involving a disinterested party and any commission is in line with market practice.

The Directors have noted that the Investment Adviser has other clients and have satisfied themselves that the Investment Adviser has procedures in place to address potential conflicts of interest.

OTHER ARRANGEMENTS

Asset management services

Bluefield Services Limited, a company under common control of the Investment Adviser has been or will be appointed to provide asset management services to each SPV pursuant to standalone asset management agreements entered into between BSL and each SPV. The provision of these services is being implemented over a period of twelve months commencing from May 2015.

The asset management services provided by BSL to each SPV cover three main areas: (i) project operation and monitoring services; (ii) financial management and reporting services; and (iii) loan administration.

Administrator and secretary

Heritage International Fund Managers Limited has been appointed as Administrator to the Company pursuant to the Administration Agreement (further details of which are set out in paragraph 5(b) of Part XII of this document) and also provides company secretarial services and a registered office to the Company. For the purposes of the Rules, the Administrator is the designated administrator of the Company.

The Administrator is responsible for the safekeeping of any share and loan note certificates in respect of the Group's investments, the implementation of the Group's cash management policy, production of the Company's accounts, regulatory compliance, providing support to the Board's corporate governance process and its continuing obligations under the Listing Rules and the Disclosure and Transparency Rules, and for dealing with dividend payments and investor reporting. In addition, the Administrator is responsible for the day to day administration of the Company (including but not limited to the calculation, in conjunction with the Investment Adviser, of the Net Asset Value of the Company and the Ordinary Shares) and for general secretarial functions required by the Companies Law (including but not limited to the maintenance of the Company's accounting and statutory records).

Registrar

Capita Registrars (Guernsey) Limited has been appointed as the Company's registrar in relation to the transfer and settlement of Shares held in certificated and uncertificated form.

Auditor

KPMG Channel Islands Limited provides audit services to the Group. The annual report and accounts are prepared in accordance with IFRS, as adopted by the EU.

PART VI

FEES AND EXPENSES, REPORTING AND VALUATION

FEES AND EXPENSES

Initial Issue costs

The Initial Issue costs are those necessary for the Initial Placing and Offer and include the costs incurred in connection with the preparation, publication, printing and circulation of this document, fees payable under the Sponsor and Placing Agreement, the costs and expenses incurred in connection with the admission of the New Ordinary Shares to the premium segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange, legal, advisory, registration, printing, advertising and distribution costs and any other applicable expenses. The Initial Placing and Offer Costs will be met by the Company from the gross proceeds of the Initial Placing and Offer. If gross proceeds of £51.0 million are raised under the Initial Placing and Offer (on the basis that 50 million New Ordinary Shares are issued at the Initial Issue Price of 102 pence per New Ordinary Share), the Initial Placing and Offer Costs are expected to be £1.0 million.

Placing Programme Costs

Up to 250 million New Shares (less any New Ordinary Shares issued under the Initial Placing and Offer) are available for issue under the Placing Programme. New Shares issued pursuant to the Placing Programme may be issued as Ordinary Shares and/or C Shares at the discretion of the Directors.

The net proceeds of the Placing Programme are dependent on: (a) the aggregate number of New Shares issued pursuant to the Placing Programme; and (b) the price at which any New Shares issued as Ordinary Shares are issued. However, assuming that 50 million New Ordinary Shares are issued pursuant to the Initial Placing and the Offer and the maximum number of New Shares available under the Placing Programme are issued as Ordinary Shares at a Placing Programme Price of 102 pence per Ordinary Share, the Company would raise £204.0 million of gross proceeds from the Placing Programme. After deducting expenses of approximately £2.7 million, the net proceeds of the Placing Programme would be approximately £201.3 million.

Part VIII of this document contains details of how the applicable Placing Programme Price of New Ordinary Shares issued at Subsequent Placings will be determined.

The costs and expenses of any Subsequent Placing of C Shares will be deducted from the gross proceeds of such Subsequent Placing.

Ongoing expenses

Investment Adviser's fees

- ***Base Fee***

  The Investment Adviser is entitled to an annual base fee which accrues daily and is calculated on a sliding scale as follows:

  - 1.00 per cent. of NAV up to and including £100 million;
  - 0.80 per cent. of NAV above £100 million and up to and including £200 million; and
  - 0.60 per cent. of NAV above £200 million.

  The base fee is payable monthly in arrears in cash, and is calculated on the NAV reported in the most recent quarterly NAV calculation as at the date of payment. The base fee is subject to clawback as described below under "Variable Fee".

- ***Variable Fee***

  If in any year (excluding the Company's first financial year), the Company fails to achieve its distribution target of 7 pence per Ordinary Share per year (as increased annually in line with

RPI), the Investment Adviser will repay its base fee in the proportion by which the actual annual distribution per Ordinary Share is less than the target distribution, subject to a maximum repayment in any year equal to 35 per cent. of the base fee calculated prior to any deduction being made. The repayment will be split equally across four quarters in the following financial year and will be set off against the monthly fee payable to the Investment Adviser in that following financial year at the end of the relevant quarter.

If in any year (excluding the Company's first financial year), the Company exceeds its distribution target of 7 pence per Ordinary Share per year (as increased annually in line with RPI), the Investment Adviser will be entitled to a variable fee equal to 30 per cent. of the excess, subject to a maximum variable fee in any year equal to 1.00 per cent. of the NAV as at the end of the relevant financial year. The variable fee shall be satisfied by the issue of Ordinary Shares to the Investment Adviser at the end of the relevant financial year at an issue price equal to the prevailing NAV per Ordinary Share at the financial year end. The Ordinary Shares issued to the Investment Adviser in satisfaction of the variable fee will be subject to a three year lock-up period, with one-third of the relevant Ordinary Shares becoming free from the lock-up on each anniversary of their issue (subject to certain usual exceptions which are summarised in paragraph 5(a) of Part XII of this document). The Board may, at its discretion, satisfy such issue of Ordinary Shares to the Investment Adviser by way of a new issue of Ordinary Shares, a sale of Ordinary Shares out of treasury or through Ordinary Shares purchased in the market.

The base fee and the variable fee will be borne by the members of the Group to reflect the extent to which the services provided by the Investment Adviser are provided to the relevant member of the Group. It is expected that the majority of the Investment Adviser's fees will be borne by Holdco as most of the Investment Adviser's services are and will be provided to it in respect of the Special Purpose Companies in which the Group invests.

Other fees and expenses

The Company will also incur further on-going annual fees and expenses, which will include the following:

- ***Administrator***

  Under the terms of the Administration Agreement, the Administrator is entitled to an annual fee in respect of administration, accounting, corporate secretarial, corporate governance, regulatory compliance and Listing Rule continuing obligations calculated on a sliding scale based on the Net Asset Value subject to a minimum fee of £100,000 per annum. In addition, the Administrator will receive an annual fee of £5,000 and £2,500 for the provision of a compliance officer and MLRO respectively. The Administrator will, in addition, be entitled to recover third party expenses and disbursements.

- ***Registrar***

  The Registrar is entitled to an annual fee from the Company equal to £1.65 per Shareholder per annum or part thereof; with a minimum of £7,500 per annum. Other registrar activity will be charged for in accordance with the Registrar's normal tariff as published from time to time.

- ***Directors***

  The Directors are remunerated for their services at a fee of £33,000 per annum (£55,000 for the Chairman). In addition, the chairman of the Audit Committee receives an additional £5,500 per annum for his services in this role. Further information in relation to the remuneration of the Directors is set out in Part XII of this document.

  The Company agreed that in relation to their first two years' fees, the Directors could elect to receive some or all of such fees through an issue of Ordinary Shares at the IPO issue price of £1.00 per Ordinary Share, with such issue to take place immediately following the IPO. In aggregate, 290,000 Ordinary Shares were issued to the Directors who made this election,

resulting in a reduction of the cash fees payable to the Directors in respect of the Company's first two financial years of £290,000.

- ***Other operational expenses***

  All other ongoing operational expenses (excluding fees paid to service providers as detailed above) of the Company will be borne by the Company including, without limitation, the incidental costs of making its investments and the implementation of its investment objective and policy; travel, accommodation and printing costs; the cost of directors' and officers' liability insurance and website maintenance; audit and legal fees; and annual listing fees. All out of pocket expenses that are reasonably and properly incurred, of the Investment Adviser, the Administrator, the Registrar and the Directors relating to the Company will be borne by the Company or Holdco.

MEETINGS AND REPORTS

All general meetings of the Company shall be held in Guernsey. The Company's audited annual report and accounts will be prepared to 30 June each year, and it is expected that copies will be sent to Shareholders in October each year, or earlier if possible. Shareholders will also receive an unaudited interim report each year in respect of the period to 31 December, expected to be despatched in February each year, or earlier if possible. The Company's audited annual report and accounts are available on the Company's website, www.bluefieldsif.com.

The Company's accounts and the annual report are drawn up in sterling and in accordance with IFRS, as adopted by the EU.

VALUATIONS

The Investment Adviser will produce fair market valuations of the Group's investments on a semi-annual basis as at 30 June and 31 December each year, which forms the basis of the Net Asset Value calculation prepared by the Administrator. As the portfolio comprises only non-market traded investments, the Investment Adviser has adopted valuation guidelines based upon the IPEV Valuation Guidelines as adopted by the European Venture Capital Association; application of which is considered consistent with the requirements of compliance with IAS 39 and IFRS 13. Fair value for each investment is 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. Each SPV will produce detailed financial models and the Investment Adviser will take, *inter alia*, the following into account in its review of such models and will make amendments where appropriate:

- the terms of any financing;
- the terms of any material contracts;
- asset performance to date;
- recent market transactions;
- opportunities for adjusting borrowings;
- changes in regulation or law;
- claims or other disputes or contractual uncertainties; and
- changes to key assumptions.

The Board instructed an independent third party to value the Group's investments as at the financial year ended 30 June 2015 and will instruct further independent valuations of the Group's investments not less than every third year going forward.

The Administrator, in conjunction with the Investment Adviser, will calculate the Net Asset Value and the Net Asset Value per Ordinary Share as at the end of each quarter of the Company's financial year and report such calculation to the Board.

The Board will approve each quarterly Net Asset Value calculation. These calculations will be reported quarterly to Shareholders and reconciled in the Company's annual report. The Net Asset

Value will also be announced as soon as possible on a Regulatory Information Service, by publication on the Company's website, www.bluefieldsif.com, and on www.londonstockexchange.com. The Company may delay public disclosure of the Net Asset Value to avoid prejudice to its legitimate interests, provided that such delay would not be likely to mislead the public and the Company has put in place appropriate measures to ensure confidentiality of that information. Any delay in the public disclosure of the Net Asset Value will be announced as soon as possible via a Regulatory Information Service.

All calculations will be based, in part, on valuation information provided by the SPVs. Although the Administrator and the Investment Adviser, as appropriate, will evaluate the information and data provided by the SPVs, they 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 quarterly 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.

PART VII

THE INITIAL PLACING AND OFFER

INTRODUCTION

The Company is targeting an issue of approximately £50 million through the issue of 50 million New Ordinary Shares at an Issue Price of 102 pence each pursuant to the Initial Placing and Offer.

Allocations of the New Ordinary Shares under the Initial Placing and Offer will be determined at the discretion of Numis (in consultation with the Company and the Investment Adviser). Under the Initial Placing and Offer, assuming that £51.0 million is raised (on the basis that 50 million New Ordinary Shares are issued), the net assets of the Company will increase by approximately £50.0 million immediately after Initial Admission, net of fees and expenses associated with the Initial Issue and payable by the Company of approximately £1.0 million. There are no expenses charged directly to investors by the Company in addition to the Initial Issue Price.

The Board intends to use the net proceeds of the Initial Placing and Offer firstly, to repay outstanding debt drawn down under the Acquisition Facility used to acquire assets in the Group's portfolio which as at the date of this document was approximately £32.8 million and, secondly, to finance further acquisitions of assets in accordance with the Group's investment objective and policy.

The Initial Placing and Offer is conditional upon, *inter alia*:

(a) the Resolution being passed at the EGM;

(b) the Sponsor and Placing Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms prior to Initial Admission; and

(c) Initial Admission occurring by 8.00 a.m. on 4 December 2015 (or such later date as the Company and Numis may agree in writing, being not later than 8.00 a.m. on 31 December 2015).

The Initial Placing and Offer are not conditional on Shareholders approving any future proposal to change the Company's investment policy to permit the use of long term structural debt at the holding company level.

If these conditions are not met, the Initial Placing and Offer will not proceed. If the Initial Placing and Offer do not proceed, subscription monies received will be returned without interest at the risk of the applicant.

THE INITIAL PLACING

The Company, the Investment Adviser and Numis have entered into the Sponsor and Placing Agreement, pursuant to which Numis has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for the New Ordinary Shares made available under the Initial Placing (less the number of New Ordinary Shares required to satisfy valid applications accepted by the Company under the Offer). The terms and conditions of the Initial Placing are set out in Appendix 1 to this document. These terms and conditions should be read carefully before a commitment is made.

Applications under the Placing must be for a minimum subscription amount of £50,000.

Further details of the terms of the Sponsor and Placing Agreement are detailed in Part XII of this document.

THE OFFER

New Ordinary Shares are available to certain categories of investor under the Offer. The Offer is only being made in the UK but, subject to applicable law, the Company may allot New Shares on a private placement basis to applicants in other jurisdictions.

The terms and conditions of application under the Offer are set out in Appendix 2 to this document and an Application Form is set out at the end of this document. These terms and conditions should be read carefully before an application is made. Investors should consult their respective stockbroker, bank manager, solicitor, accountant or other financial adviser if they are in any doubt about the contents of this document.

Applications under the Offer must be for a minimum subscription amount of £1,000 and thereafter in multiples of £100.

Completed Application Forms, accompanied by a cheque or banker's draft in Sterling made payable to "Capita Registrars Ltd re: BSIF OFS A/C" and crossed "A/C payee" for the appropriate sum must be posted or delivered by hand (during normal business hours) to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Kent BR39 4TU so as to be received by no later than 11.00 a.m. on 30 November 2015. The Offer will, unless extended, be closed at that time.

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 30 November 2015 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: Royal Bank of Scotland

Sort Code: 15-10-00

A/C No: 32317394

A/C Name: Capita Registrars Ltd re: BISF OFS A/C

The Receiving Agent cannot take responsibility for identifying payments without a unique reference nor where a payment has been received but without an accompanying Application Form.

Applicants choosing to settle via CREST, may input an MTM instruction from 12.00 p.m. on 2 December 2015 and in any event, the MTM instruction must be input and available for settlement by no later than 12.00 p.m. on 4 December 2015 (or such later date that is determined by the Company). Further details on how to complete an MTM Instruction are set out in the Application Form.

SCALING BACK AND ALLOCATION

Subject to the passing of the Resolution at the EGM, the Directors will be authorised to issue up to 250 million New Ordinary Shares pursuant to the Initial Placing and Offer. To the extent that applications under the Offer and commitments under the Initial Placing exceed 250 million New Ordinary Shares, Numis reserves the right, at its sole discretion, but after consultation with the Company and the Investment Adviser, to scale back applications in such amounts as it considers appropriate. The Company reserves the right to decline in whole or in part any application for New Ordinary Shares pursuant to the Initial Placing and Offer. Accordingly, applicants for New Ordinary Shares may, in certain circumstances, not be allotted the number of New Ordinary Shares for which they have applied.

The Company will notify investors of the number of New Ordinary Shares in respect of which their application under the Initial Placing and Offer has been successful and the results of the Initial Issue will be announced by the Company on or around 2 December 2015 via an RIS announcement.

Subscription monies received in respect of unsuccessful applications (or to the extent scaled back) will be returned without interest at the risk of the applicant to the bank account from which the money was received.

GENERAL

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK and/or Guernsey, the Company and its agents (and their agents) or the Investment Adviser may require evidence in connection with any application for New Shares, including further identification of

the applicant(s), before any New Shares are issued. Each of the Company and its agents, including the Administrator, the Registrar, the Receiving Agent, the Investment Adviser and Numis reserves the right to request such information as is necessary to verify the identity of a Shareholder or prospective Shareholder and (if any) the underlying beneficial owner or prospective beneficial owner of a Shareholder's New Shares. In the event of delay or failure by the Shareholder or prospective Shareholder to produce any information required for verification purposes the Directors, in consultation with any of the Company's agents, including the Administrator, the Registrar, the Receiving Agent, the Investment Adviser and Numis, may refuse to accept a subscription for New Shares, or may refuse the transfer of New Shares held by any such Shareholder.

In the event that there are any significant changes affecting any of the matters described in this document or where any significant new matters have arisen after the publication of this document and prior to Initial 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).

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 may not withdraw their applications for New Ordinary Shares after the date of this document without the written consent of the Directors.

Applicants wishing to exercise their statutory right of withdrawal pursuant to section 87(Q)(4) of FSMA after the publication by the Company of a prospectus supplementing this document must do so by lodging a written notice of withdrawal (which shall include a notice sent by any form of electronic communication) which must include the full name and address of the person wishing to exercise statutory withdrawal rights and, if such person is a CREST member, the Participant ID and the Member Account ID of such CREST Member by post or by hand (during normal business hours only) with Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Kent BR3 4TU, or by email to withdraw@capita.co.ukregistrars.com so as to be received not later than two Business Days after the date on which the supplementary prospectus is published. Notice of withdrawal given by any other means or which is deposited with or received by Capita Asset Services after expiry of such period will not constitute a valid withdrawal. The Company will not permit the exercise of withdrawal rights after payment by the relevant applicant of his subscription in full and the allotment of New Ordinary Shares to such applicant becoming unconditional. In such event Shareholders are recommended to seek independent legal advice.

As noted in the Chairman's letter in Part I of this document, the proposed change to the Company's investment policy to permit long term structural debt at the holding company level would constitute a significant new factor and the Company will publish a supplementary prospectus setting out details of the proposed change in accordance with its obligations under the Prospectus Rules once formal proposals are put to Shareholders. However, it is not intended that such a supplementary prospectus will be published prior to Initial Admission and accordingly investors who apply for New Ordinary Shares under the Offer will not be able to exercise any withdrawal rights in relation to the proposed change of investment policy.

The Directors (in consultation with Numis) may in their absolute discretion waive the minimum application amounts in respect of any particular application for New Ordinary Shares under the Offer and/or the Initial Placing.

Should the Initial Issue be aborted or fail to complete for any reason monies received will be returned without interest at the risk of the applicant.

Definitive certificates in respect of New Ordinary Shares in certificated form will be dispatched by post in the week commencing 7 December 2015. Temporary documents of title will not be issued.

CLEARING AND SETTLEMENT

Payment for the New Ordinary Shares, in the case of the Initial Placing, should be made in accordance with settlement instructions to be provided to placees by Numis. Payment for the New Ordinary Shares, in the case of the Offer, should be made in accordance with the Terms and

Conditions of Application under the Offer set out in Appendix 2 to this document and in the Application Form. To the extent that any application for New 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.

New Ordinary Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST from Initial Admission. In the case of New Ordinary Shares to be issued in uncertificated form pursuant to the Initial Issue, these will be transferred to successful applicants through the CREST system. Accordingly, settlement of transactions in the New Ordinary Shares following Initial Admission may take place within the CREST system if any Shareholder so wishes.

New Ordinary Shares issued under the Offer will be issued to successful applicants in accordance with the Terms and Conditions of Application under the Offer set out in Appendix 2 to this document.

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 expected that the Company will arrange for Euroclear to be instructed on 4 December 2015 to credit the appropriate CREST accounts of the subscribers concerned or their nominees with their respective entitlements to New Ordinary Shares. 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 Ordinary Shares out of the CREST system following the Initial Issue 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 Ordinary Shares to be issued in certificated form and is holding such New 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 New Ordinary Shares. Shareholders holding definitive certificates may elect at a later date to hold such New Ordinary Shares through CREST or in uncertificated form provided they surrender their definitive certificate.

DEALINGS

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for the New Ordinary Shares issued pursuant to the Initial Issue to be admitted to listing and trading on the premium segment of the Official List and the London Stock Exchange's main market for listed securities, respectively.

It is expected that Initial Admission will become effective and that unconditional dealings in the new Ordinary Shares will commence at 8.00 a.m. on 4 December 2015. Dealings in New Ordinary Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned. The ISIN number of the Ordinary Shares GG00BB0RDB98 and the SEDOL code is BB0RDB9.

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

OVERSEAS INVESTORS

This document does not constitute an offer to sell, or the solicitation of an offer to acquire or subscribe for, New 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 or the Investment Adviser.

The attention of persons resident outside the UK is drawn to the notices to investors set out in Part XIII of this document which set out restrictions on the holding of New Ordinary Shares by such persons in certain jurisdictions.

In particular investors should note that the New Ordinary Shares have not been and will not be registered under the Securities Act or the securities laws of any other jurisdiction of the United States and the Company has not registered, and does not intend to register, as an investment company under the Investment Company Act. Accordingly, the New Ordinary Shares may not be offered or sold within the United States or to, or for the account or benefit of, any US Persons except in a transaction meeting the requirements of an applicable exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

SUBSCRIBER WARRANTIES

Each subscriber of New Ordinary Shares in the Initial Placing and Offer and each subsequent investor in the New Ordinary Shares will be deemed to have represented, warranted, acknowledged and agreed to the representations, warranties, acknowledgments and agreements set out in paragraphs 4 and 5 in Appendix 1 to this document.

The Company, the Investment Adviser, Numis, and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor will immediately notify the Company.

PART VIII

THE PLACING PROGRAMME

INTRODUCTION

Following the Initial Placing and Offer, the Directors intend to implement the Placing Programme to enable the Company to raise additional capital in the period from Initial Admission to 25 October 2016 to pay down debt drawn under the Acquisition Facility from time to time and as and when it identifies acquisition opportunities that satisfy the Company's investment objective and policy.

Under the Placing Programme, the Company is proposing to issue up to 250 million New Shares (less the number of New Ordinary Shares issued under the Initial Placing and Offer), which may be issued as Ordinary Shares and/or C Shares at the discretion of the Directors.

The size and frequency of each Placing under the Placing Programme will be determined at the sole discretion of the Directors, in consultation with Numis. The Directors will also decide on the most appropriate class of Shares to issue under the Placing Programme at the time of each Placing, in consultation with Numis and the Investment Adviser. If subscriptions under a Subsequent Placing exceed the maximum number of New Shares available under that Placing, Numis, in consultation with Company and the Investment Adviser, will scale back subscriptions at its discretion.

The Placing Programme will be suspended at any time when the Company is unable to issue New 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 of the Placing Programme being no later than 25 October 2016.

Assuming that: (i) the Company only issues New Ordinary Shares under the Placing Programme at a Placing Programme Price of 102 pence per New Ordinary Share; and (ii) the Company issues 200 million New Ordinary Shares under the Placing Programme, the Company would raise £204 million of gross proceeds from the Placing Programme. After deducting expenses (including any commission) of approximately £2.7 million, the net proceeds of the Placing Programme would be approximately £201.3 million.

Assuming that (i) the Company only issues C Shares under the Placing Programme at £1.00 per C Share and (ii) the Company issues 200 million C Shares under the Placing Programme, the Company would raise £200 million of gross proceeds from the Placing Programme. After deducting expenses (including any commission) of approximately £2.7 million, the net proceeds of the Placing Programme would be approximately £197.3 million.

The Placing Programme is conditional, *inter alia*, on:

(i) the Resolution being passed at the EGM;

(ii) the Sponsor and Placing Agreement becoming otherwise unconditional in respect of that Placing, and not being terminated in accordance with its terms before the relevant Admission becomes effective;

(iii) if a supplementary prospectus is required to be published in accordance with the FSMA, such supplementary prospectus being approved by the FCA and published by the Company in accordance with the Prospectus Rules; and

(iv) Admission of the New Ordinary Shares or C Shares issued pursuant to each Placing at such time and on such date as the Company and Numis may agree prior to the closing of that Placing, not being later than 25 October 2016.

Placings under the Placing Programme will not be conditional on shareholders approving any future proposal to change the Company's investment policy to permit because of long term structural debt at the holding company level.

If these conditions are not satisfied in respect of any Placing under the Placing Programme, the relevant issue of the New Ordinary Shares or C Shares will not proceed and subscription monies received will be returned without interest at the risk of the applicant. There is no minimum size of the Placing Programme and Placings under the Placing Programme will not be underwritten.

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

PLACING PROGRAMME PRICE

All New 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. The Placing Programme Price of any New Ordinary Shares to be issued pursuant to a Placing will be announced through an RIS as soon as is practicable following the allotment of such New Ordinary Shares.

The Placing Programme Price of any C Shares issued pursuant to the Placing Programme will be £1.00. C Shares will convert into Ordinary Shares on the occurrence of specified events or at specified times and conversion will take place on a Net Asset Value for Net Asset Value basis. The costs and expenses of any issue of C Shares and any other costs and expenses which the Directors believe are attributable to the C Shares will be paid out of the pool of assets attributable to the C Shares and accordingly will not dilute the Net Asset Value of the Ordinary Shares.

There are no expenses charged directly to investors by the Company in addition to the applicable Placing Programme Price for the New Ordinary Shares and/or C Shares for which they subscribe under the Placing Programme.

GENERAL

The Company, the Investment Adviser and Numis have entered into the Sponsor and Placing Agreement, pursuant to which Numis has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for the New Shares made available under the Placing Programme. Further details of the terms of the Sponsor and Placing Agreement are detailed in Part XII of this document.

Applications under each Placing must be for a minimum subscription amount of £50,000.

Applications under each Placing under the Placing Programme will be on the terms and conditions set out in Appendix 1 to this document, together with any relevant supplementary prospectus applicable to the relevant Placing. These terms and conditions should be read carefully before a commitment is made.

Investors will be informed whether the Company will issue New Shares pursuant to a Placing as Ordinary Shares or C Shares by the publication of an announcement through a Regulatory Information Service at the time of the relevant Placing.

The number of New Shares allotted and issued, and the basis of allocation under a Placing, is expected to be announced as soon as reasonably practicable following the closing of that Placing. The basis of allocation shall be determined by Numis after consultation with the Company and Investment Adviser.

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK and/or Guernsey, the Company and its agents (and their agents) or the Investment Adviser may require evidence in connection with any application for New Shares, including further identification of the applicant(s), before any New Shares are issued. Each of the Company and its agents, including the Administrator, the Registrar, the Receiving Agent, the Investment Adviser and Numis reserves the right to request such information as is necessary to verify the identity of a Shareholder or prospective Shareholder and (if any) the underlying beneficial owner or prospective beneficial owner of a Shareholder's New Shares. In the event of delay or failure by the Shareholder or prospective

Shareholder to produce any information required for verification purposes the Directors, in consultation with any of the Company's agents, including the Administrator, the Registrar, the Receiving Agent, the Investment Adviser and Numis, may refuse to accept a subscription for New Shares, or may refuse the transfer of New Shares held by any such Shareholder.

In the event that there are any significant changes affecting any of the matters described in this document or where any significant new matters have arisen after the publication of this document and prior to the relevant 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).

CLEARING AND SETTLEMENT

Payment for the New Shares should be made in accordance with settlement instructions to be provided to placees by Numis. 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 Admission.

It is anticipated that, where Shareholders have requested them, certificates in respect of the New Shares to be held in certificated form will be dispatched approximately one week following 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.

In the case of New Shares to be issued in uncertificated form pursuant to a Placing, these will be transferred to successful applicants through the CREST system. Accordingly, settlement of transactions in the New Shares following the relevant Admission may take place within the CREST system if any Shareholder so wishes.

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.

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 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.

DEALINGS

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all the New Ordinary 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 London Stock Exchange's main market for listed securities.

Applications will be made to the Financial Conduct Authority and the London Stock Exchange for all the C Shares to be issued pursuant to the Placing Programme to be admitted to the standard segment of the Official List and to trading on 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 25 October 2016. All dealings in New Shares

prior to the commencement of unconditional dealings will be at the sole risk of the parties concerned.

The ISIN number of the Ordinary Shares is GG00BB0RDB98 and the SEDOL code is BB0RDB9. The ISIN number of the C Share is GG00BRB2W527 and the SEDOL code is BRB2W52.

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 New Share.

OVERSEAS INVESTORS

This document 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 or the Investment Adviser.

The attention of persons resident outside the UK is drawn to the notices to investors set out in Part XIII of this document which set out restrictions on the holding of New Shares by such persons in certain jurisdictions.

In particular investors should note that neither the New Ordinary Shares nor the C Shares have been or will be registered under the Securities Act or the securities laws of any other jurisdiction of the United States and the Company has not registered, and does not intend to register, as an investment company under the Investment Company Act. Accordingly, the New Shares may not be offered or sold within the United States or to, or for the account or benefit of, any US Persons except in a transaction meeting the requirements of an applicable exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

SUBSCRIBER WARRANTIES

Each subscriber of New Shares in a Placing under the Placing Programme and each subsequent investor in the New Shares will be deemed to have represented, warranted, acknowledged and agreed to the representations, warranties, acknowledgments and agreements set out in paragraphs 4 and 5 in Appendix 1 to this document.

PART IX

FINANCIAL INFORMATION

1. STATUTORY ACCOUNTS FOR THE FINANCIAL PERIODS ENDED 30 JUNE 2014 AND 30 JUNE 2015

Statutory accounts of the Group for the period from 29 May 2013 to 30 June 2014 and for the financial year ended 30 June 2015, in respect of which the Company's auditors, KPMG Channel Islands Limited has given unqualified opinions that the accounts give a true and fair view of the state of affairs of the Group for the period from 29 May 2013 to 30 June 2014 and for the financial year ended 30 June 2015 respectively, and that the accounts have been properly prepared in accordance with the Companies (Guernsey) Law, 2008 and have been incorporated into this document by reference.

KPMG Channel Islands Limited is a member of the Institute of Chartered Accountants in England and Wales.

2. PUBLISHED REPORTS AND ACCOUNTS FOR THE FINANCIAL PERIODS ENDED 30 JUNE 2014 AND 30 JUNE 2015

2.1 Historical financial information

The published reports and audited accounts for the Group for the period from 29 May 2013 to 30 June 2014 and for the financial year ended 30 June 2015, which have been incorporated in this document by reference, included, on the pages specified in the table below, the following information:

Nature of Information	Annual report and accounts for the period from 29 May 2013 to 30 June 2014 (audited) – page numbers	Annual report and accounts for the financial year ended 30 June 2015 (audited) – page numbers
General Information	3	3
Highlights	4-5	4-5
Corporate Summary	6	6
Chairman's Statement	7-9	7-9
The Company's Investment Portfolio	10	10
Analysis of the Company's Investment Portfolio	11	11
Strategic Report	12-25	12-27
Report of the Investment Adviser	26-38	28-46
Report of the Directors	39-42	47-52
Board of Directors	43	53
Directors' Statement of Responsibilities	44	54
Responsibility Statement of the Directors in respect of the Annual Report	45	55
Corporate Governance Report	46-53	56-63
Report of the Audit Committee	54-59	64-68
Independent Auditor's Report	60-63	69-72
Consolidated Statement of Financial Position	64	73
Consolidated Statement of Comprehensive Income	65	74
Consolidated Statement of Changes in Equity	66	75
Consolidated Statement of Cash Flows	67	76
Notes to the Consolidated Financial Statements	68-95	77-108

2.2 Selected financial information

The key audited figures that summarise the Group's financial condition in respect of the period from 29 May 2013 to 30 June 2014 and for the financial year ended 30 June 2015, which have

been extracted without material adjustment from the historical financial information referred to in paragraph 2.1 of this Part IX, are set out in the following table:

	As at or for the period from 29 May 2013 to 30 June 2014 (audited)	As at or for the financial year ended 30 June 2015 (audited)
Net assets (£'000)	147,676	288,391
Net asset value per Ordinary Share (pence)	102.96	103.58
Total operating income (£'000)	12,039	19,540
Net (loss)/profit (£'000)	9,444	15,151
Earnings per Ordinary Share (pence)	6.99	6.71
Dividend per Ordinary Share (pence)	4.00	7.25

2.3 **Operating and financial review**

The Group's published annual reports and accounts for the period from 29 May 2013 to 30 June 2014 and for the financial year ended 30 June 2015, included, on the pages specified in the table below: descriptions of the Group's financial condition (in both capital and revenue terms); details of the Group's investment activity and portfolio exposure; and changes in its financial condition for such period.

	Annual report and accounts for the period ended 30 June 2014 (audited) – page numbers	Annual report and accounts for the financial year period 30 June 2015 (audited) – page numbers
Chairman's Statement	7-9	7-9
Report of the Investment Adviser	26-38	28-46
Analysis of the Company's Investment Portfolio	11	11

2.4 **Capital resources**

The Group is funded by both equity and debt, with the debt provided through a £50 million Acquisition Facility pursuant to a loan agreement with The Royal Bank of Scotland which expires on 10 June 2017. As at 23 October 2015, the latest practicable date prior to the publication of this document, £32.8 million of the Acquisition Facility was drawn down and the Group's borrowings, together with other structural debt, represented approximately 14.43 per cent, of the Gross Asset Value (calculated as at 30 September 2015).

2.5 **Availability of annual reports and accounts for inspection**

Copies of the Company's report and audited accounts for the period from 29 May 2013 to 30 June 2014 and for the financial year ended 30 June 2015 are available for inspection at the address set out in paragraph 13 of Part XIII of this document and also at www.bluefieldsif.com.

3. CAPITALISATION AND INDEBTEDNESS

Set out below is a statement of capitalisation and indebtedness in relation to the Group.

The indebtedness information set out below has been extracted without material adjustment from the Company's unaudited management accounts as at 30 September 2015. The capitalisation information set out below has been extracted without material adjustment from the Company's audited financial information for the financial year ended 30 June 2015. There has been no material change in the capitalisation of the Group since 30 June 2015.

	As at 30 September 2015 (unaudited) £000s
Indebtedness	
Total Current Debt	0
Guaranteed	0
Secured	0
Unguaranteed/Unsecured	0
Total Non-current Debt	27,100
Guaranteed	0
Secured	27,100
Unguaranteed/Unsecured	0

	As at or for the period ended 30 June 2015 (audited) £000s
Capitalisation	
Shareholders' Equity	
Share capital and share premium	276,959
Legal reserve	0
Other reserve	11,431
Total	288,390

The following table shows the Company's unaudited net indebtedness as at 30 September 2015.

		30 September 2015 (unaudited) £'000
A.	Cash	6,486
B.	Cash equivalent	0
C.	Trading securities	0
D.	**Liquidity (A+B+C)**	6,486
E.	**Current financial receivable**	1,057
F.	Current bank debt	0
G.	Current portion of non-current debt	0
H.	Other current financial debt	1,644
I.	**Current financial debt (F+G+H)**	1,644
J.	**Net current financial indebtedness (I-E-D)**	(5,899)
K.	Non-current bank loans	27,100
L.	Bonds issued	0
M.	Other non-current loans	0
N.	**Non-current financial indebtedness (K+L+M)**	27,100
O.	**Net financial indebtedness (J+N)**	21,201

4. WORKING CAPITAL

The Company is of the opinion that the working capital available to it is sufficient for the Group's present requirements, that is for at least the next 12 months from the date of this document.

5. NET ASSET VALUE

As at 30 September 2015, the Company's NAV per Ordinary Share (unaudited) was 104.79 pence.

PART X

TAXATION

GENERAL

The statements on taxation below are intended to be a general summary of certain tax consequences that may arise in relation to the Company and Shareholders. This is not a comprehensive summary of all technical aspects of the structure and is not intended to constitute legal or tax advice to investors. Prospective investors should familiarise themselves with, and where appropriate should consult their own professional advisers on, the overall tax consequences of investing in the Company. The statements relate to investors acquiring Ordinary Shares or C Shares for investment purposes only, and not for the purposes of any trade. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely. The tax consequences for each investor of investing in the Company may depend upon the investor's own tax position and upon the relevant laws of any jurisdiction to which the investor is subject.

GUERNSEY TAXATION

The Company

The Company has applied for and been granted exemption from liability to income tax in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 as amended by the Director of Income Tax in Guernsey for the current year. Exemption must be applied for annually and will be granted, subject to the payment of an annual fee, which is currently fixed at £1,200 per applicant, provided the applicant qualifies under the applicable legislation for exemption. It is the intention of the Directors to conduct the affairs of the Company so as to ensure that it continues to qualify for exempt company status for the purposes of Guernsey taxation.

As an exempt company, the Company is and will be treated as if it were not resident in Guernsey for the purposes of liability to Guernsey income tax. Under current law and practice in Guernsey, the Company will only be liable to tax in Guernsey in respect of income arising or accruing in Guernsey, other than from a relevant bank deposit.

Taxation of Shareholders

Shareholders not resident for tax purposes in Guernsey (which includes Alderney and Herm for these purposes) will not be subject to income tax in Guernsey and will receive dividends without deduction of Guernsey income tax. Any Shareholders who are resident for tax purposes in Guernsey, Alderney or Herm will be subject to income tax in Guernsey on any dividends paid on Ordinary Shares owned by them but will suffer no deduction of tax by the Company from any such dividend payable by the Company whilst the Company maintains exempt status.

The Company is required to provide the Director of Income Tax in Guernsey with such particulars relating to any distribution paid to Guernsey resident Shareholders as the Director of Income Tax may require, including the names and addresses of the Guernsey resident Shareholders, the gross amount of any distribution paid and the date of the payment.

The Director of Income Tax can require the Company to provide the name and address of every Guernsey resident who, on a specified date, has a beneficial interest in shares in the Company, with details of the interest.

Except as mentioned above, Shareholders are not subject to tax in Guernsey as a result of purchasing, owning or disposing of Shares or either participating or choosing not to participate in a redemption of shares in the Company.

Capital Taxes and Stamp Duty

Guernsey currently does not levy taxes upon capital inheritances, capital gains, gifts, sales or turnover (unless the varying of investments and the timing of such investments to account is a

business or part of a business), nor are there any estate duties (save for registration fees and *ad valorem* duty for a Guernsey grant of representation where the deceased dies leaving assets in Guernsey which required presentation of such a grant). No stamp duty or other taxes are chargeable in Guernsey on the issue, transfer, switching or redemption of shares in the Company.

EU Savings Tax Directive

Although not a Member State of the European Union, Guernsey, in common with certain other jurisdictions, entered into bilateral agreements with Member States on the taxation of savings income. Paying agents in Guernsey must automatically report to the Director of Income Tax in Guernsey any interest payment to individuals resident in the contracting Member States which falls within the scope of the EU Savings Directive (2003/48/EC) (**EU Savings Directive**) as applied in Guernsey. However, whilst such interest payments may include distributions from the proceeds of shares or units in certain collective investment schemes which are, or are equivalent to, UCITS, in accordance with EC Directive 85/611/EEC (as recast by EC Directive 2009/65/EC (recast)) and guidance notes issued by the States of Guernsey on the implementation of the bilateral agreements, the Company should not be regarded as, or as equivalent to, a UCITS. Accordingly, any payments made by the Company to an individual beneficial owner resident in an EU Member State will not be subject to reporting obligations pursuant to the agreements between Guernsey and Member States to implement the EU Savings Directive in Guernsey.

On 24 March 2014, the Council of the European Union formally adopted a directive (the **Amending Directive**) to amend the EU Savings Directive. The amendments significantly widen the scope of the EU Savings Directive. Member States are required to adopt national legislation to comply with the amended EU Savings Directive by 1 January 2016. The amended EU Savings Directive is anticipated to be applicable from 2017.

However, on 18 March 2015 the European Commission announced a proposal to repeal the EU Savings Directive from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other Member States (subject to ongoing requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the EU Savings Directive and a new automatic exchange of information regime to be implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU). The proposal also provides that, if it proceeds, Member States will not be required to apply the new requirements of the Amending Directive. This proposal is still being considered and has not yet been adopted.

Guernsey, along with other dependent and associated territories, will consider the effect of the amendments to, or any repeal of, the EU Savings Directive in the context of existing bilateral agreements and domestic law. If changes to the implementation of the EU Savings Directive are brought into effect, or if it is repealed, then the treatment of investors in the Company and the position of the Company in relation to the EU Savings Directive may be different to that set out above.

FATCA – US-Guernsey Intergovernmental agreement

On 13 December 2013, the Chief Minister of Guernsey signed an intergovernmental agreement with the US (US-Guernsey IGA) regarding the implementation of FATCA, under which certain disclosure requirements are imposed in respect of certain investors in the Company who are, or being entities are controlled by one or more, residents or citizens of the US. The US-Guernsey IGA is implemented through Guernsey's domestic legislation in accordance with guidance which is currently published in draft form. Accordingly, the full impact of the US-Guernsey IGA on the Company and the Company's reporting responsibilities pursuant to the US-Guernsey IGA as implemented in Guernsey is currently uncertain.

UK – Guernsey Intergovernmental Agreement

On 22 October 2013, the Chief Minister of Guernsey signed an intergovernmental agreement with the UK (UK-Guernsey IGA) under which certain disclosure requirements are imposed in respect of certain investors in the Company who are resident in the UK or, in the case of entities, are controlled

by one or more residents in the UK. The UK-Guernsey IGA is implemented through Guernsey's domestic legislation in accordance with guidance which is currently published in draft form. Accordingly, the full impact of the UK-Guernsey IGA on the Company and its reporting responsibilities pursuant to the UK-Guernsey IGA is currently uncertain.

Reporting under the Foreign Multilateral Competent Authority Agreement for Automatic Exchange of Taxpayer Information

On 13 February 2014, the Organisation for Economic Co-operation and Development released a Common Reporting Standard (**CRS**) designed to create a global standard for the automatic exchange of financial account information, similar to the information to be reported under FATCA. On 29 October 2014, fifty-one jurisdictions signed a multilateral competent authority agreement (**Multilateral Agreement**) that activates this automatic exchange of FATCA-like information in line with the CRS. Pursuant to the Multilateral Agreement, certain disclosure requirements will be imposed in respect of certain investors in the Company who are, or are entities that are controlled by one or more, residents of any of the signatory jurisdictions. Both Guernsey and the UK have signed up to the Multilateral Agreement, but the US has not signed the Multilateral Agreement. Early adopters who signed the Multilateral Agreement (including Guernsey) have pledged to work towards the first information exchanges taking place by September 2017. Others are expected to follow with information exchange starting in 2018. Guidance and domestic legislation regarding the implementation of the CRS and the Multilateral Agreement in Guernsey are yet to be published in finalised form. Accordingly, the full impact of the CRS and the Multilateral Agreement on the Company and the Company's reporting responsibilities pursuant to the Multilateral Agreement on the Company and the Company's reporting responsibilities pursuant to the Multilateral Agreement as it will be implemented in Guernsey is currently uncertain.

Whilst the Company will seek to satisfy its obligations under each of the US-Guernsey IGA, the UK-Guernsey IGA, the Multilateral Agreement and the CRS as implemented in Guernsey pursuant to regulations and to guidance (which is yet to be published in final form) in order to avoid the imposition of any financial penalties under Guernsey law, the ability of the Company to satisfy such obligations will depend on receiving relevant information and/or documentation about each investor and where appropriate the direct and indirect beneficial owners of the interests held in the Company. There can be no assurance that the Company will be able to satisfy such obligations.

If any investor is in doubt as to his taxation position, he is strongly recommended to consult an independent professional adviser without delay.

UNITED KINGDOM TAXATION

The following paragraphs are intended only as a general guide and are based on current legislation and HM Revenue & Customs (**HMRC**) published practice, which is subject to change at any time (possibly with retrospective effect). They are of a general nature and do not constitute tax advice and apply only to Shareholders who are resident in the UK, who are the absolute beneficial owners of their New Ordinary Shares and/or C Shares and who hold their shares as an investment. They do not address the position of certain classes of Shareholders such as dealers in securities, insurance companies or collective investment schemes.

If you are in any doubt as to your tax position or if you are subject to tax in a jurisdiction outside the UK, you should consult an appropriate professional adviser without delay.

The Company

The Directors intend that the affairs of the Company should be managed and conducted so that it does not become resident in the UK for UK taxation purposes. Accordingly, and provided that the Company does not carry on a trade in the UK (whether or not through a permanent establishment situated in the UK), the Company will not be subject to UK income tax or corporation tax on its profits other than on any UK source income.

Certain interest and other income received by the Company which has UK source may be subject to withholding taxes in the UK.

Holdco

Holdco will be liable to UK corporation tax on its income, although dividend income may be exempt from tax. Income arising from overseas investments may be subject to foreign withholding taxes at varying rates, but double taxation relief may be available. Holdco will also be liable to UK corporation tax on chargeable gains, however in certain cases these may be exempt under the Substantial Shareholding Exemption subject to meeting the relevant qualifying criteria.

Shareholders

Income

Shareholders who are resident in the UK for taxation purposes may, depending on their circumstances, be liable to UK income tax or corporation tax in respect of dividends paid by the Company.

UK resident individual Shareholders who are additional rate taxpayers will be liable to income tax at 37.5 per cent., higher rate taxpayers will currently be liable to income tax at 32.5 per cent. and other individual taxpayers will currently be liable to income tax at 10 per cent. A tax credit equal to 10 per cent. of the gross dividend (also equal to one-ninth of the cash dividend received) should currently be available to set off against a Shareholder's total income tax liability. The effect of the tax credit is that a basic rate taxpayer will have no further tax to pay, a higher rate taxpayer will have to account for additional tax equal to 22.5 per cent. of the gross dividend (which also equals 25 per cent. of the net dividend received) and an additional rate taxpayer will have to account for additional tax equal to 27.5 per cent. of the gross dividend (or 30.56 per cent. of the cash dividend received). The tax credit will not be available to any individual who owns (together with connected persons) 10 per cent. or more of the class of issued share capital of the Company in respect of which the dividend is made.

The UK Government has announced in its Summer Budget 2015 a reform to simplify the taxation of dividends received by UK resident individuals. The UK Government intends to replace the dividend tax credit with a new annual tax-free allowance of £5,000 of dividend income for all UK resident individual Shareholders with effect from April 2016. To the extent that dividend income exceeds £5,000, tax will be imposed at the rates of 7.5 per cent. for basic rate taxpayers, 32.5 per cent. for higher rate taxpayers and 38.1 per cent. for additional rate taxpayers.

A UK resident corporate Shareholder will be liable to UK corporation tax (currently 20 per cent.) unless the dividend falls within one of the exempt classes set out in Part 9A of the Corporation Tax Act 2009. It is likely that dividends will fall within one of such exempt classes but Shareholders within the charge to UK corporation tax are advised to consult their independent professional tax advisers to determine whether dividends received will be subject to UK corporation tax.

Chargeable gains

Any gains on disposals by UK resident Shareholders or Shareholders who carry on a trade in the UK through a permanent establishment with which their investment in the Company is connected may, depending on their circumstances, give rise to a liability to UK tax on capital gains. UK resident Shareholders who are individuals (or otherwise not within the charge to UK corporation tax) and who are basic rate taxpayers are currently subject to tax on their chargeable gains at a flat rate of 18 per cent. Individuals who are higher or additional rate taxpayers are currently subject to tax on their chargeable gains at a flat rate of 28 per cent. No indexation allowance will be available to such Shareholders but they may be entitled to an annual exemption from capital gains (this is £11,000 for the year 2015/2016).

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

Shareholders within the charge to UK corporation tax may be subject to corporation tax on chargeable gains in respect of any gain arising on disposals. Indexation allowance may apply to reduce any chargeable gain arising on disposals but will not create or increase an allowable loss.

The Directors have been advised that the Company should not be an offshore fund for the purposes of UK taxation and the provisions of Part 8 of the Taxation (International and Other Provisions) Act 2010 should not apply.

Scrip Dividends

On the basis of case law, UK-resident Shareholders should not receive any income liable to UK income tax or corporation tax to the extent that they elect to receive further Ordinary Shares (**Scrip Dividend Shares**) instead of the cash dividend, nor should they make any disposal for chargeable gains tax purposes at the time the Scrip Dividend Shares are allotted. Instead the Scrip Dividend Shares and the original registered holding of Ordinary Shares in respect of which the Scrip Dividend Shares are allotted (the Original Holding) should be treated as a single holding acquired at the time of the Original Holding.

There will be no allowable expenditure for chargeable gains tax purposes arising in respect of the Scrip Dividend Shares and the allowable expenditure arising in respect of the Original Holding will be apportioned across the Original Holding and the Scrip Dividend Shares.

A disposal for chargeable gains tax purposes will only arise at the time the Shareholder subsequently disposes of the Scrip Dividend Shares or the Original Holding (a **Subsequent Disposal**). UK-resident individual Shareholders may be subject to capital gains tax in respect of chargeable gains arising on a Subsequent Disposal depending on individual circumstances. UK-resident corporate Shareholders may be subject to corporation tax in respect of chargeable gains arising on a Subsequent Disposal depending on their individual circumstances.

C Shares

The C Shares will convert into Ordinary Shares on the basis of the Conversion Ratio as set at the Conversion Time, unless the Company exercises its discretion to redeem the C Shares prior to the Conversion Time. The conversion will be treated as a reorganisation of share capital for UK tax purposes. Accordingly, the new Ordinary Shares will be treated as the same asset as the Shareholder's holding of C Shares and as having been acquired at the same time as the Shareholder's holding of C Shares was acquired. The amount of subscription money paid (if any) for such new Ordinary Shares will be added to the base cost of the existing holding of C Shares. In the case of individuals, trustees and personal representatives, indexation allowance is not available. In the case of an existing Shareholder within the charge to corporation tax, in calculating the chargeable gain or allowable loss arising on a subsequent disposal of new Ordinary Shares, indexation allowance will apply to the amount paid for the new Ordinary Shares only from, generally, the date the subscription monies for the new Ordinary Shares were payable.

Other UK tax considerations

The attention of UK resident or ordinarily resident Shareholders is drawn to the provisions of section 13 of the Taxation of Chargeable Gains Act 1992 under which, in certain circumstances, a portion of capital gains made by the Company can be attributed to a Shareholder who holds, alone or together with associated persons, more than 25 per cent. of the Shares. This applies if the Company is a close company for the purposes of UK taxation. A company is "close" if, broadly, it is either controlled by five or fewer participators or by participators who are also directors, or five or fewer directors (or directors or are participators) possess or are entitled to acquire rights to a greater part of the company's assets in a distribution or winding up. A participator for these purposes is broadly any person having a share or interest in the capital or income of the Company. It is not anticipated that the Company would be regarded as a close company if it were resident in the UK although this cannot be guaranteed.

The attention of individuals resident in the UK for taxation purposes is drawn to the provisions of sections 714 to 751 of the Income Tax Act 2007. These sections contain anti-avoidance legislation dealing with the transfer of assets to overseas persons in circumstances which may render such individuals liable to taxation in respect of undistributed profits of the Company. This legislation will, however, not apply if such a Shareholder can satisfy HM Revenue & Customs either:

(a) that it would not be reasonable to draw the conclusion, from all the circumstances of the case, that the purpose of avoiding a liability to UK taxation was the purpose, or one of the purposes, for which the relevant transactions or any of them were effected; or

(b) that all of the relevant transactions were genuine commercial transactions and it would not be reasonable to draw the conclusion, from all the circumstances of the case, that any one or more of those transactions was more than incidentally designed for the purpose of avoiding a liability to UK taxation.

Shareholders relying on this exemption are required to note this in their self-assessment return.

The attention of companies resident in the UK is drawn to the controlled foreign companies legislation contained in Part 9A of the Taxation (International and Other Provisions) Act 2010. If the Company were regarded as being controlled by persons resident in the UK for UK tax purposes, the legislation applying to controlled foreign companies may apply to corporate shareholders who are resident in the UK and who alone, or with connected persons, hold an interest of at least 25 per cent. in the Company. If relevant, a UK corporation taxpayer may be subject to tax on the part of the Company's "chargeable profits" apportioned to it in accordance with the controlled foreign companies rules.

Stamp duty and stamp duty reserve tax (SDRT)

The following comments are intended as a guide to the general UK stamp duty and SDRT position and do not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depository arrangements or clearance services to whom special rules apply.

No UK stamp duty or SDRT will be payable on the issue of the New Ordinary Shares or C Shares. UK stamp duty (at the rate of 0.5 per cent., rounded up where necessary to the next £5, of the amount of the value of the consideration for the transfer) is payable on any instrument of transfer of New Ordinary Shares or C Shares executed within, the UK or which "relates to any matter or thing done or to be done" in the UK, although in practice any such instrument will not require stamping in order for the register of Ordinary Shares or C Shares to be updated. Unstamped transfer instruments, however, may not be used for certain official purposes (e.g. civil litigation and updating the share registers of UK incorporated or registered companies) in the UK until they are duly stamped. Provided that Ordinary Shares and/or C Shares are not registered in any register of the Company kept in the UK and are not paired with shares issued by a UK company, any agreement to transfer Ordinary Shares and/or the C Shares, including any paperless transfers of Ordinary Shares and C Shares within the CREST system, should not be subject to SDRT. No stamp duty liability should arise on paperless transfers of Ordinary Shares or C Shares within the CREST system either, on the basis that the transfer should not be effected by executing a transfer instrument.

ISAs and SIPPs

General

The New Ordinary Shares and C Shares will be "qualifying investments" for the stocks and shares component of an ISA. The subscription limit for an ISA account is £15,240 (for the tax year 2015/2016). Where the New Ordinary Shares or C Shares are held in an ISA, income and gains arising in respect of them will be exempt from UK taxation.

Offer for Subscription

New Ordinary Shares and C Shares allotted under the Offer for Subscription are eligible for inclusion in an ISA.

Placing

New Ordinary Shares and C Shares allotted under the Initial Placing or any Placing under the Placing Programme are not eligible for inclusion in an ISA.

Secondary market purchases

New Ordinary Shares and C Shares acquired by an account manager by purchase in the secondary market, subject to applicable subscription limits, as set out above, will be eligible for inclusion in an ISA.

UK small self administered schemes and self invested personal pensions

New Ordinary Shares and C Shares will be eligible for inclusion in a UK SSAS or a UK SIPP.

PART XI

TERMS OF THE C SHARES AND THE CONVERSION RATIO

1. GENERAL

1.1 An issue of C Shares is designed to overcome the potential disadvantages for both existing and new investors which could arise out of a conventional fixed price issue of further Ordinary Shares of an existing issued class for cash. In particular:

(a) the Net Asset Value of the existing Ordinary Shares will not be diluted by the expenses associated with the relevant Placing which will be borne by the subscribers for C Shares and not by existing Shareholders; and

(b) the basis upon which the C Shares will convert into Ordinary Shares is such that the number of Ordinary Shares to which C Shareholders will become entitled will reflect the relative investment performance and value of the pool of new capital attributable to the C Shares raised pursuant to the Issue up to the Calculation Time as compared to the assets attributable to the existing Ordinary Shares at that time and, as a result, neither the Net Asset Value attributable to the existing Ordinary Shares nor the Net Asset Value attributable to the C Shares will be adversely affected by Conversion.

The C Shares will convert into Ordinary Shares on the basis of the Conversion Ratio which will be calculated at a time determined by the Directors at their absolute discretion with a view to achieving the objective that the conversion of the C Shares should not be earnings dilutive as far as the existing Ordinary Shares are concerned, provided however that the Calculation Time cannot fall later than a longstop date falling six months after Admission of the relevant class of C Shares. Once the Conversion Ratio has been calculated, the C Shares will convert into Ordinary Shares on the basis set out below.

2. EXAMPLE OF CONVERSION MECHANISM

2.1 The following example illustrates the basis on which the number of Ordinary Shares arising on Conversion will be calculated. The example is unaudited and is not intended to be a forecast of the number of Ordinary Shares which will arise on Conversion, nor a forecast of the level of income which may accrue to Ordinary Shares in the future. The Conversion Ratio at the Calculation Time will be calculated by reference to the Net Asset Values of the Ordinary Shares and the C Shares at the Calculation Time and may not be the same as the illustrative Net Asset Values set out below.

2.2 The example illustrates the number of Ordinary Shares which would arise on the conversion of 1,000 C Shares held at Conversion using assumed NAVs attributable to the C Shares and the Ordinary Shares in issue at the Calculation Time. The assumed NAV attributable to a C Share at the Calculation Time is based on the assumption that 250 million C Shares are issued and that the costs of the relevant Placing of C Shares amount to £3.3 million. The assumed NAV attributable to each Ordinary Share is 104.79 pence, being the NAV as at the close of business on 30 September 2015.

Example

Number of C Shares subscribed	1,000
Amount subscribed (£)	1,000
Net Asset Value attributable to a C Share at the Calculation time (p)	98.69
Net Asset Value attributable to an Ordinary Share at the Calculation Time (p)	104.79
Conversion Ratio	0.9418
New Ordinary Shares arising in Conversion	941

3. TERMS OF THE C SHARES

The rights and restrictions attaching to the C Shares are set out in the Articles. The relevant provisions are as set out below.

4. DEFINITIONS

The following definitions apply for the purposes of this Part XII in addition to, or (where applicable) in substitution for, the definitions applicable elsewhere in this document.

C Shares means the redeemable convertible ordinary shares of no par value in the capital of the Company issued and designated as C Shares of such class, denominated in such currency, and convertible into New Ordinary Shares and having the rights described in the Articles;

C Share Surplus in relation to any class of C Shares means the net assets of the Company attributable to the C Shares in that class, being the assets attributable to the C Shares in that class (including for the avoidance of doubt, any income and/or revenue (net of expenses) arising from or relating to such assets) less such proportion of the Company's liabilities as the Directors shall reasonably allocate to the assets of the Company attributable to such C Shares;

Calculation Time means the earliest of:

(a) the close of business on the last Business Day prior to the day on which *Force Majeure* Circumstances have arisen or the Directors resolve that they are in contemplation;

(b) the close of business on such date as the Directors may decide is necessary to enable the Company to comply with its obligations in respect of conversion of that class of C Shares; and

(c) the close of business on such Business Day as shall be determined by the Directors, in their absolute discretion, with a view to achieving the objective that the Conversion of that class of C Shares is not earnings dilutive as far as the existing Ordinary Shares is concerned, provided that such Business Day shall not fall more than six months after admission of that class of C Shares.

Conversion means in relation to any class of C Shares, conversion of that class of C Shares into New Ordinary Shares in accordance with the Articles and paragraph 12 below;

Conversion Ratio is A divided by B calculated to four decimal places (with 0.00005 being rounded upwards) where:

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

and

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

and where:

C is the aggregate of the value of all assets and investments of the Company attributable to the relevant class of C Shares (as determined by the Directors) at the relevant Calculation Time calculated in accordance with the accounting principles adopted by the Directors from time to time;

D is the amount which (to the extent not otherwise deducted in the calculation of C) in the Directors' opinion fairly reflects at the relevant Calculation Time the amount of the liabilities and expenses attributable to the C Shares of the relevant class (as determined by the Directors);

E is the number of C Shares of the relevant class in issue at the relevant Calculation Time;

F is the aggregate of the value of all assets and investments attributable to the Ordinary Shares (as determined by the Directors) at the relevant Calculation Time calculated in accordance with the accounting principles adopted by the Directors from time to time;

G is the amount which (to the extent not otherwise deducted in the calculation of 'F') in the Directors' opinion fairly reflects at the relevant Calculation Time the amount of the liabilities and expenses of the Company attributable to the Ordinary Shares (as determined by the Directors); and

H is the number of Ordinary Shares in issue at the relevant Calculation Time;

Provided always that:

(a) the Directors shall be entitled to make such adjustments to the value or amount of A and/or B as they believe to be appropriate having regard to, among other things, the assets of the Company immediately prior to the Issue Date or the Calculation Time or to the reasons for the issue of the C Shares of the relevant class;

(b) in relation to any class of C Shares, the Directors may, as part of the terms of issue of such class, amend the definition of Conversion Ratio in relation to that class;

(c) where valuations are to be made as at the Calculation Time and the Calculation Time is not a Business Day, the Directors shall apply the provisions of this definition as if the Calculation Time were the preceding Business Day;

(d) where the admission of C Shares takes place not later than 10 Business Days after a NAV Calculation Date, the Directors may in their absolute discretion substitute for C above (and for any other valuation of the investments attributable to the C Shares of the relevant class used in calculating the Conversion Ratio) the gross proceeds of the issue of the relevant class of C Shares or, where the costs and expenses of such issue are not taken into account in calculating D above (or for any other valuation of the liabilities and expenses attributable to the C Shares of the relevant class in calculating the Conversion Ratio), the net proceeds and the C Shares shall be deemed to have been in issue at the Calculation Time.

Conversion Time means a time following the Calculation Time, being the opening of business in London on such Business Day as may be selected by the Directors and falling not more than 20 Business Days after the Calculation Time;

***Force Majeure* Circumstances** means in relation to any class of C Shares:

(a) any political or economic circumstances or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable;

(b) the issue of any proceedings challenging, or seeking to challenge, the power of the Company or its Directors to issue the C Shares of that class with the rights proposed to be attached to them or to the persons to whom they are, or the terms on which they are, proposed to be issued; or

(c) the convening of any general meeting of the Company at which a resolution is to be proposed to wind up the Company;

Independent Accountants means KPMG Channel Islands Limited or such other firm of chartered accountants as the Directors may appoint for the purpose;

Issue Date means in relation to any class of C Shares, the date on which admission of such C Shares to the Official List becomes effective or, if later, the date on which the Company receives the net proceeds of the issue of such C Shares;

Law means the Companies (Guernsey) Law 2008, as amended, extended or replaced and any ordinance, statutory instrument or regulation made thereunder;

Member means a registered holder of a share in the Company and any person entitled thereto on death, disability or insolvency of a Member;

New Ordinary Shares means the Ordinary Shares arising on the conversion of the C Shares of the relevant class; and

Share Surplus means the net assets of the Company less the C Share Surplus.

5. ISSUES OF C SHARES

Subject to the Law, the Directors shall be authorised to issue C Shares in classes on such terms as they determine provided that such terms are consistent with the provisions summarised in this paragraph 5.1. The Directors shall, on the issue of each class of C Shares, determine the Calculation

Time and Conversion Time together with any amendments to the definition of Conversion Ratio attributable to each such class.

6. DIVIDEND AND *PARI PASSU* RANKING OF C SHARES AND NEW ORDINARY SHARES

6.1 The holders of C Share(s) of any class shall be entitled to receive such dividends as the Directors may resolve to pay to such holders out of the assets attributable to such class of C Shares (as determined by the Directors).

6.2 No dividend or other distribution shall be made or paid by the Company on any of its share between the Calculation Time and the Conversion Time (both dates inclusive) and no dividend shall be declared with a record date falling between the Calculation Time and the Conversion Time (both dates inclusive).

6.3 The New Ordinary Shares arising upon Conversion shall rank *pari passu* with all other Ordinary Shares of the same class for dividends and other distributions declared, made or paid by reference to a record date falling after the relevant Calculation Time and holders of Ordinary Shares shall receive all the rights accruing to the relevant class of Ordinary Shares.

7. RIGHTS AS TO CAPITAL

7.1 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) the Share Surplus shall be divided amongst the holders of Ordinary Shares according to the rights attaching thereto as if the Share Surplus comprised the assets of the Company available for distribution; and

(b) the C Share Surplus shall be divided amongst the holders of C Shares *pro rata* according to their holdings of C Shares.

8. VOTING AND TRANSFER

8.1 The C Shares shall not carry the right to receive notice of, or to attend or vote at, any general meeting of the Company. The C Shares shall be transferable in the same manner as the Ordinary Shares.

9. REDEMPTION

9.1 The C Shares are issued on terms that each class of C Shares shall be redeemable by the Company in accordance with the terms set out in the Articles.

9.2 At any time prior to Conversion, the Company may, at its discretion, redeem all or any of the C Shares then in issue by agreement with any holder(s) thereof in accordance with such procedures as the Directors may determine (subject to the facilities and procedures of CREST) and in consideration of the payment of such redemption price as may be agreed between the Company and the relevant holders of C Shares.

10. CLASS CONSENTS AND VARIATION OF RIGHTS

10.1 Without prejudice to the generality of the Articles, until Conversion the consent of the holders of the C Shares as a class shall be required for, and accordingly, the special rights attached to the C Shares shall be deemed to be varied, *inter alia*, by:

(a) any alteration to the memorandum of incorporation of the Company or the Articles; or

(b) the passing of any resolution to wind up the Company.

11. UNDERTAKINGS

11.1 Until Conversion, and without prejudice to its obligations under the Law, the Company shall in relation to each class of C Shares:

(a) procure that the Company's records and bank accounts shall be operated so that the assets attributable to the C Shares of the relevant class can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the

Company shall procure that separate cash accounts shall be created and maintained in the books of the Company for the assets attributable to the C Shares of the relevant class;

(b) allocate to the assets attributable to the C Shares of the relevant class such proportion of the expenses or liabilities of the Company incurred or accrued between the Issue Date and the Calculation Time (both dates inclusive) as the Directors fairly consider to be attributable to the C Shares of the relevant class including, without prejudice to the generality of the foregoing, those liabilities specifically identified in the definition of "Conversion Ratio" above; and

(c) give appropriate instructions to the Administrator to manage the Company's assets so that such undertakings can be complied with by the Company.

12. CONVERSION OF C SHARES

12.1 In relation to each class of C Shares, the C Shares shall be and converted into New Ordinary Shares at the Conversion Time in accordance with the provisions set out below.

12.2 The Directors shall procure that within 20 Business Days after the Calculation Time:

(a) the Administrator or, failing which, an independent accountant selected for the purpose by the Board, shall be requested to calculate the Conversion Ratio as at the Calculation Time and the number of New Ordinary Shares to which each holder of C Shares of the relevant class shall be entitled on Conversion; and

(b) the Auditor may, if the Directors consider it appropriate, be requested to certify whether such calculations have been performed in accordance with these Articles and are arithmetically accurate;

whereupon, subject to the proviso in the definition of "Conversion Ratio", such calculations shall become final and binding on the Company and all Members. If the Auditor is unable to confirm the calculations of the Administrator or independent accountant, as described above, the Conversion shall not proceed.

12.3 The Directors shall procure that, as soon as practicable following such certificate, an announcement is made to a Regulatory Information Service advising holders of C Share(s) of that class of: (i) the Conversion Time; (ii) the Conversion Ratio; and (iii) the aggregate number of New Ordinary Shares to which holders of the C Shares of that class are entitled on Conversion.

12.4 Conversion shall take place at the Conversion Time designated by the Directors for the C Shares. On Conversion the issued C Shares of the relevant class then in issue shall automatically convert (by redesignation and/or sub-division and/or consolidation and/or a combination of each or otherwise as appropriate) into such number of New Ordinary Shares as equals the number of C Shares of the relevant class in issue at the Calculation Time multiplied by the Conversion Ratio (rounded down to the nearest whole New Ordinary Share) and if, as a result of Conversion, the Member concerned is entitled to:

(a) more shares of the relevant class of New Ordinary Shares than the original C Shares of the relevant class, additional New Ordinary Shares of the relevant class shall be allotted and issued accordingly; or

(b) fewer shares of the relevant class of New Ordinary Shares than the original C Shares of the relevant class, the appropriate number of original C Shares shall be cancelled accordingly.

12.5 The New Ordinary Shares arising upon Conversion shall be divided amongst the former holders of C Shares *pro rata* according to their respective former holdings of C Shares of the relevant class (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to New Ordinary Shares, including, without prejudice to the generality of the foregoing, selling any such shares representing such fractional entitlements and retaining

the proceeds for the benefit of the Company) and for such purposes any Director is hereby authorised as agent on behalf of the former holders of C Share(s), in the case of a share in certificated form, to execute any stock transfer form, and to do any other act or thing as may be required to give effect to the same including, in the case of a share in uncertificated form, the giving of directions to or on behalf of the former holders of any C Shares who shall be bound by them.

12.6 Forthwith upon Conversion, any certificates relating to the C Shares of the relevant class shall be cancelled and the Company shall issue to each such former C Shareholder new certificates in respect of the New Ordinary Shares which have arisen upon Conversion unless such former holder of any C Shares elects to hold their New Ordinary Shares in uncertificated form and the register of Members shall be updated accordingly.

12.7 The Company will use its reasonable endeavours to procure that, upon Conversion, the New Ordinary Shares are admitted to the Official List.

12.8 The Directors are authorised to effect such and any consolidations and/or divisions and/or combinations of both (or otherwise as appropriate) as may have been or may be necessary from time to time to implement the conversion mechanics for C Shares set out in the Articles for the time being and as the same may from time to time be amended.

PART XII

ADDITIONAL INFORMATION

1. INCORPORATION AND ADMINISTRATION

(a) The Company was incorporated with liability limited by shares in Guernsey under the Companies Law on 29 May 2013 with registered number 56708 as a closed-ended investment company registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and the Registered Collective Investment Scheme Rules 2015 issued by the GFSC. Registered schemes are regulated by the Commission insofar as they are required to comply with the requirements of the Rules, including requirements to notify the Commission of certain events and the disclosure requirements of the Commission's Prospectus Rules 2008. The Company is not regulated by the Financial Conduct Authority or any other regulator.

(b) The registered office and principal place of business of the Company is Heritage Hall, PO Box 225, Le Marchant Street, St Peter Port, Guernsey GY1 4HY, and the telephone number is +44 (0)1481 716000. The statutory records of the Company will be kept at this address. The Company operates under the Companies Law and ordinances and regulations made thereunder and has no employees.

(c) Historical financial information in respect of the period from 29 May 2013 to 30 June 2014 and for the financial year ended 30 June 2015 has been incorporated by reference into Part IX of this document. The Company's accounting period ends on 30 June of each year.

(d) KPMG Channel Islands Limited has been the only auditor of the Company since its incorporation. KPMG Channel Islands Limited is a member of the Institute of Chartered Accountants of England and Wales.

(e) The annual report and accounts are prepared according to IFRS, as adopted by the EU.

(f) Changes to the issued share capital of the Company since its incorporation are summarised in paragraph 2 of this Part XII.

2. SHARE CAPITAL

(a) The share capital of the Company consists of an unlimited number of shares of no par value which upon issue the Directors may classify into such classes as they may determine. Notwithstanding this, a maximum of 250 million New Ordinary Shares and/or C Shares will be issued pursuant to the Initial Placing and Offer and the Placing Programme.

(b) On incorporation, the share capital of the Company was £1.00 represented by one Ordinary Share of no par value issued at a price of £1.00, which was taken by the subscriber to the memorandum of incorporation of the Company, HG Nominees 1 Limited (a nominee company owned by the Administrator).

(c) On 12 July 2013, 130 million Ordinary Shares were allotted to investors in connection with the Company's IPO and 290,000 Ordinary Shares were allotted to Directors in satisfaction of all or part of the Directors' first two years' fee. On 3 March 2014, 13,028,999 Ordinary Shares were issued in connection with the 2014 Tap Issue. On 9 October 2014, 7,490,540 Ordinary Shares were issued in consideration for the acquisition of Bluefield L&P Solar Fund Limited, which holds 12 operating solar assets via two special purposes vehicles, from L&P Ethical Investment Initiative Limited and L&P Alternative Investment Limited. On 19 November 2014 120 million Ordinary Shares were issued pursuant to the 2014 Placing Programme and a further 7.5 million Ordinary Shares were issued pursuant to the 2014 Placing Programme on 27 November 2014. As at the date of this document, the Company's issued share capital comprises 278,417,224 Ordinary Shares.

(d) The Directors have absolute authority to allot the New Ordinary Shares and C Shares under the Articles.

(e) The New Ordinary Shares and the C Shares will be issued and created in accordance with the Articles and the Companies Law. The New Ordinary Shares and the C Shares are denominated in sterling.

(f) By a special resolution passed at the extraordinary general meeting of the Company held on 1 October 2014, the Directors were authorised to allot, issue and/or sell equity securities for cash as if the pre-emption rights contained in the Articles did not apply to any such allotment, issue and/or sale, provided that this power shall be limited to the allotment, issue and/or sale of up to an aggregate number of 150 million New Ordinary Shares and/or C Shares in connection with the 2014 Placing Programme and shall expire on 1 October 2015 (unless previously renewed, varied or revoked by the Company in a general meeting), save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted and issued after such expiry and the Directors shall be entitled to allot and issue equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired

(g) Subject to the passing of the special resolution to be proposed at the EGM, the Directors will be authorised to allot, issue and/or sell equity securities for cash as if the pre-emption rights contained in the Articles did not apply to any such allotment, issue and/or sale, provided that this power shall be limited to the allotment, issue and/or sale of up to an aggregate number of 250 million New Ordinary Shares and/or C Shares in connection with the Initial Placing and Offer and the Placing Programme and shall expire on 25 October 2016 (unless previously renewed, varied or revoked by the Company in a general meeting), save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted and issued after such expiry and the Directors shall be entitled to allot and issue equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

(h) Pursuant to a special resolution passed on 17 October 2014, the Directors are authorised to make market purchases of up to 14.99 per cent. of the Ordinary Shares in issue immediately following the Company's first annual general meeting. The maximum price which may be paid for an Ordinary Share must not be more than the higher of: (i) 5 per cent. above the average of the mid-market values of Ordinary Shares taken from The London Stock Exchange Daily Official List for the five Business Days before the purchase is made; and (ii) the higher of the last independent trade or the highest current independent bid for Ordinary Shares. Such authority will expire on the earlier of the conclusion of the annual general meeting of the Company to be held in 2015 and the date 15 months after the date on which the resolution was passed. Since the date of the Company's incorporation, the Company has not repurchased any Ordinary Shares.

(i) The New Ordinary Shares and the C Shares will be in registered form and, from their Admission, will be capable of being held in uncertificated form and title to such New Ordinary Shares and C Shares may be transferred by means of a relevant system (as defined in the CREST Regulations). Where the New Ordinary Shares or C Shares are held in certificated form, share certificates will be sent to the registered members or their nominated agent (at their own risk) within 10 days of the completion of the registration process or transfer, as the case may be, of the New Ordinary Shares or C Shares, as applicable. Where New Ordinary Shares or C Shares are held in CREST, the relevant CREST stock account of the registered members will be credited. The Registrar, whose registered address is set out on page 41 of this document, maintains a register of Shareholders holding their Ordinary Shares and the C Shares in CREST.

(j) Save as disclosed in this paragraph 2 and for the Company's obligations to issue Ordinary Shares in respect of the variable fee to the Investment Adviser in accordance with the Investment Advisory Agreement, no share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.

3. DIRECTORS' AND OTHER INTERESTS

(a) Insofar as is known to the Company, the interests of each Director, including any connected person, the existence of which is known to, or could with reasonable diligence be ascertained by, that Director whether or not held through another party, in the share capital of the Company as at the date of this document is as follows:

Director	Ordinary Shares currently held	Ordinary Shares currently held (%)
John Rennocks	255,805	0.09
Paul Le Page	70,000	0.03
Laurence McNairn	441,764	0.16
John Scott	276,176	0.10

(b) As at 23 October 2015 (being the latest practicable date prior to the publication of this document), the only persons known to the Company who, directly or indirectly, are interested in five per cent. or more of the Company's issued share capital are as set out in the following table:

Shareholder	Number of Ordinary Shares	Percentage of issued Ordinary Shares
Newton Investment Management Ltd	40,780,438	14.65
BlackRock Inc.	29,861,988	10.73
Sarasin & Partners LLP	28,837,231	10.36
CCLA Investment Management Ltd	23,504,281	8.44
L&P Group (consisting of L&P Ethical Investment Initiative Ltd and L&P Alternative Investments Ltd)	15,520,016	5.57

(c) The Company is not aware of any person who, immediately following Initial Admission, could, directly or indirectly, jointly or severally, exercise control over the Company.

(d) The Company knows of no arrangements, the operation of which may result in a change of control of the Company

(e) All Shareholders of the same class have the same voting rights in respect of the share capital of the Company.

(f) There are no outstanding loans from the Company to any of the Directors or any outstanding guarantees provided by the Company in respect of any obligation of any of the Directors.

(g) The aggregate remuneration and benefits in kind of the Directors in respect of the Company's accounting period ending on 30 June 2016 which will be payable out of the assets of the Company are not expected to exceed £159,500. Each of the Directors will be entitled to receive £33,000 per annum other than the Chairman who will be entitled to receive £55,000 per annum and the chairman of the Audit Committee who will be entitled to receive an additional fee of £5,500 per annum. The Company agreed with the Directors that in relation to their first two years' fees, the Directors could elect to receive some or all of such fees through an issue of Ordinary Shares at the IPO issue price of £1.00 per Ordinary Share, with such issue to take place immediately following the IPO. In aggregate, 290,000 Ordinary Shares were issued to the Directors who made this election, resulting in a reduction of the cash fees payable to the Directors in respect of the Company's financial year ending on 30 June 2015 of £139,014. No amount has been set aside or accrued by the Company to provide pension, retirement or other similar benefits. In addition, each of John Rennocks and John Scott receive £5,000 per annum for acting as directors of Holdco.

(h) Each of the Directors was appointed pursuant to a letter of appointment dated 24 June 2013 other than Laurence McNairn who was appointed pursuant to a letter of appointment dated 1 July 2013. No Director has a service contract with the Company, nor are any such contracts proposed. The Directors' appointments can be terminated in accordance with the Articles and without compensation. There is no notice period specified in the Articles for the removal of

Directors. The Articles provide that the office of Director shall be terminated by, among other things: (i) written resignation; (ii) unauthorised absences from board meetings for 12 months or more; (iii) written request of the other Directors; and (iv) a resolution of the Shareholders.

(i) 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 which has been effected by the Company since its incorporation.

(j) Pursuant to an instrument of indemnity entered into between the Company and each Director, the Company has undertaken, subject to certain limitations, to indemnify each Director out of the assets and profits of the Company against all costs, charges, losses, damages, expenses and liabilities arising out of any claims made against him in connection with the performance of his duties as a Director of the Company.

(k) In addition to their directorships of the Company, the Directors hold or have held the directorships and are or were members of the partnerships, as listed in the table below, over or within the past five years.

Name	Current directorships/partnerships	Past directorships/partnerships
John Rennocks	Greenko Group plc Inmarsat plc	Babcock International Group plc Composite Energy Ltd Foss Securities Limited Intelligent Energy Holdings plc JP Morgan Fleming Overseas Investment Trust plc Nestor Healthcare Group plc Wagon plc Diploma plc
Paul Le Page	ARK Masters Fund ARK Masters Management Limited FCA Catalyst Fund SPC FCA Catalyst Master Fund SPC FCA Catalyst Trading SPC Financial Risk Management Matrio Fund Limited FRM Credit Strategies Fund PCC Limited FRM Credit Strategies Master Fund PCC Limited FRM Diversified III Fund PCC Limited FRM Diversified III Master Fund Limited FRM Global Equity Fund SPC FRM Global Equity Master Fund SPC FRM Idiosyncratic Alpha SPC FRM Investment Management Limited FRM Phoenix Fund Limited FRM Selection Fund Limited FRM Thames General Partner Limited Man Fund Management Guernsey Limited UK Mortgages Limited	Cazenove Absolute Equity Limited Financial Risk Management Academy Fund Limited FRM Conduit Fund FRM Equity Alpha Fund Limited FRM Premium Portfolio FRM Tail Hedge Limited Global Managed Futures Fund Limited Liquidity Pass Through Holdings SPC Prospect Finance Limited Searock Plus Fund Limited Thames River Multi Hedge PCC Limited The Da Vinci Fund Limited
Laurence McNairn	BC European Capital - HSI Co-Investment Limited BC Partners Holdings Limited BC Partners Investment Holdings Limited BCEC Management X Limited. Becap GP Limited BECAP12 GP Limited (formerly BECAP11 GP Limited) CCEIP Manager Limited CIE Holdings Limited CIE Holdings X Limited	AAC Capital NEBO Carry GP Limited AAC Capital NEBO Feeder GP Limited Adnams B Fundco Limited Aile Limited Barbados Topco Limited Black Sea Enhanced Returns Fund Limited Bream Limited Cannonball Limited CIE Feeder Limited Partner Limited Civet Limited Cohen Fund III/Fund IV Ltd

Name	Current directorships/partnerships	Past directorships/partnerships
Laurence McNairn *(continued)*	CIE Management Holdings Limited CIE Management II Limited CIE Management II Limited CIE Management IX Limited CIE Management IX Limited Collingwood Holdings Limited Crystal Amber Asset Management (Guernsey) Limited DF Investments Limited Falcon Investment SICAV PLC GLC Limited Greensphere Management Limited Greensphere Waste Income Fund Limited GTU Limited HAT Limited Heritage Depositary Company (UK) Limited Heritage Group Limited Heritage International Fund Managers Limited Heritage International Fund Services (Malta) Limited Heritage Management Holdings (Malta) Limited Heritage Partners GP Limited Hologram Holdings Limited International Hospitals Network (GP) Limited NB PEP GP Limited P25 (GP) Limited P25 Investments Limited Patria Brazil Fund Limited Pietersen Holdings Limited Trilantic Capital Management GP Limited Trilantic Capital Partners Management Limited Trilantic Capital Partners V Management Limited Yucatan Devco 2 Limited Yucatan Devco Limited	Collateral 1 Limited Collateral 2 Limited Collateral 3 Limited EDF Limited Enigmatic Investments Limited (FKA BECAP SPV 8 Limited) Falcon Carry (GP) Limited FED Limited Finakabel Holdings Limited (In Voluntary Liquidation) Fund Capital Limited Heritage Administration Service Limited Heritage Fiduciaries Limited Heritage Management Holdings Limited HL (Finland) General Partner Limited IMP Limited (in voluntary liquidation) ISAT Holdings Limited (in voluntary liquidation) ISAT Limited (in voluntary liquidation) JB Fund III/Fund IV LP Lehman Brothers Merchant Banking Europe Capital Partners Management Limited Mediterra Capital Management Limited MM LBMB Pledge Ltd MPOF (10A) Limited MPOF (10B) Limited MPOF (6A) Limited MPOF (6B) Limited MPOF (7A) Limited MPOF (7B) Limited MPOF (8A) Limited MPOF (8B) Limited MPOF (9A) Limited MPOF (9B) Limited MPOF (Antonio) Limited MPOF (Guia) Limited MPOF (Jose) Limited MPOF (Monte) Limited MPOF (Paulo) Limited MPOF (Penha) Limited MPOF (Sun) Limited MPOF (Taipa) Limited MPOF Mainland Company 1 Limited NEBO I Carry GP Limited NEBO I GP Limited Nordic Leisure Limited Passivity Investments Limited Phoenix Logistics (Guernsey) Limited Plein Limited Range Park-Servicos de Consultoria Commercial Sociedade Unipessoal SA RMSQUARED UK Land & Opportunities Fund Limited Rue des Landes Limited Schroder Ventures Investments Limited Talisman Guernsey Management Limited Yoho (Domingos) Limited Yoho (Senado) Limited

Name	Current directorships/partnerships	Past directorships/partnerships
John Scott	Alpha Insurance Analysts Limited Alternative Asset Opportunities PCC Archimedes Partnership Ltd Gala Farms Partnership Impax Environmental Markets plc JP Morgan Claverhouse Investment Trust plc Scottish Mortgage Investment Trust PLC Schroder Japan Growth Fund plc The Abbotsford Trust The Tweed Foundation	Dunedin Income Growth Investment Trust PLC Endace Limited Miller 2012 Limited Miller E.T. Limited Miller Insurance Holdings Limited Miller Insurance Investments Limited PH (Dawson) Ltd The Grocers' Trust Company Ltd Xaar plc Martin Currie Pacific Trust plc Oundle School Services Co. Ltd.

(l) Mr McNairn, a Director of the Company, is also a director of the Administrator. Accordingly, Mr McNairn has interests in a service provider to the Company. Save as disclosed above, there are no potential conflicts of interest between any duties to the Company of any of the Directors and their private interests and/or other duties. There are no lock-up provisions regarding the disposal by any of the Directors of any Ordinary Shares.

(m) At the date of this document:

(i) none of the Directors has had any convictions in relation to fraudulent offences for at least the previous five years;

(ii) save as detailed above, none of the Directors was a director of a company, a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years which has entered into any bankruptcy, receivership or liquidation proceedings;

(iii) none of the Directors has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court 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; and

(iv) none of the Directors is aware of any contract or arrangement subsisting in which they are materially interested and which is significant to the business of the Company which is not otherwise disclosed in this document.

(n) The Company maintains directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

4. MEMORANDUM AND ARTICLES

The following is a summary of the Memorandum and Articles. Prospective investors should read in full the Articles copies of both of which are available for inspection at the place specified in paragraph 13 of this Part XII.

(a) **Objects**

The memorandum of incorporation of the Company provides that the objects of the Company are unrestricted.

(b) **Dividends and other distributions**

(i) Subject to the rights of any Ordinary Shares which may be issued with special rights or privileges, the Ordinary Shares carry the right to receive all income of the Company attributable to the Ordinary Shares, and to participate in any distribution of such income made by the Company, such income shall be divided *pari passu* among the holders of Ordinary Shares in proportion to the number of Ordinary Shares held by them.

(ii) The Directors may from time to time authorise dividends and distributions to be paid to Shareholders in accordance with the procedure set out in the Companies Law and subject to any Shareholder's rights attaching to their shares.

(iii) The Directors may from time to time authorise dividends and distributions to be paid to holders of C Shares out of the assets attributable to the C Shares in accordance with the procedure set out in the Companies Law and subject to any rights attaching to such C Shares.

(iv) All unclaimed dividends and distributions may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. All dividends unclaimed on the earlier of: (i) a period of six years after the date when it first became due for payment; and (ii) the date on which the Company is wound-up, shall be forfeited and shall revert to the Company without the necessity for any declaration or other action on the part of the Company.

(c) **Voting**

(i) Subject to any special rights, restrictions or prohibitions as regards voting for the time being attached to any Ordinary Shares, holders of Ordinary Shares shall have the right to receive notice of and to attend and vote at general meetings of the Company.

(ii) Each Shareholder being present in person or by proxy or by a duly authorised representative (if a corporation) at a meeting shall upon a show of hands have one vote and upon a poll each such holder present in person or by proxy or by a duly authorised representative (if a corporation) shall, in the case of a separate class meeting, have one vote in respect of each share held by him and, in the case of a general meeting of all Shareholders, have one vote in respect of each Ordinary Share held by him.

(iii) Save in certain limited circumstances, C Shares will not carry the right to attend or receive notice of general meetings of the Company nor will they carry the right to vote at such meetings.

(d) **Capital**

(i) As to a winding-up of the Company or other return of capital (other than by way of a repurchase or redemption of Ordinary Shares in accordance with the provisions of the Articles and the Companies Law), the surplus assets of the Company attributable to the Ordinary Shares remaining after payment of all creditors shall, subject to the rights of any Ordinary Shares that may be issued with special rights or privileges, be divided amongst the holders of Ordinary Shares *pari passu* among the holders of Ordinary Shares in proportion to the number of Ordinary Shares held by them.

(ii) The manner in which distributions of capital proceeds realised from investments (net of fees and expenses) and attributable to the Ordinary Shares (**Capital Proceeds**) shall be effected shall, subject to compliance with the Companies Law, be determined by the Directors in their absolute discretion and, once determined, shall be notified to Shareholders by way of an RIS announcement.

(iii) Without restricting the discretion of the Directors described in paragraph 4(d)(ii), the Directors may effect distributions of Capital Proceeds by:

(A) compulsorily redeeming a proportion of each Shareholder's holding of Ordinary Shares and paying the redemption proceeds to Shareholders on such terms and in such manner as the Directors may determine; or

(B) in such other manner as may be lawful.

(e) **Pre-emption rights**

There are no provisions of Guernsey law which confer rights of pre-emption in respect of the allotment of the Ordinary Shares or C Shares. However, the Articles of Incorporation provide

that the Company is not permitted to allot (for cash) equity securities (being Ordinary Shares or C Shares or rights to subscribe for, or convert securities into, Ordinary Shares or C Shares) or sell (for cash) any Ordinary Shares or C Shares held in treasury, unless it shall first have offered to allot to each existing holder of Ordinary Shares and C Shares on the same or more favourable terms a proportion of those Ordinary Shares or C Shares the aggregate value of which (at the proposed issue price) is as nearly as practicable equal to the proportion of the total Net Asset Value of the Company represented by the Ordinary Shares or C Shares held by such shareholder. These pre-emption rights may be excluded and disapplied or modified by special resolution of the Shareholders.

(f) **Variation of rights**

(i) Whenever the capital of the Company is divided into different classes of shares, the rights attached to any class of shares may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated:

(A) with the consent in writing of the holders of more than half in number of the issued shares of that class; or

(B) with the sanction of an ordinary resolution passed at a separate meeting of the holders of the shares of that class.

(ii) The necessary quorum at any separate class meeting shall be two persons present holding or representing by proxy at least one-third of the voting rights of the issued shares of that class (provided that if any such meeting is adjourned for lack of a quorum, the quorum at the reconvened meeting shall be one person present holding shares of that class or his proxy) provided always that where the class has only one member, that member shall constitute the necessary quorum and any holder of shares of the class in question may demand a poll.

(iii) The special rights conferred upon the holders of any shares or class of shares issued with preferred, deferred or other rights shall (unless otherwise expressly provided by the conditions of issue of such shares) be deemed not to be varied by: (a) the creation or issue of further shares ranking *pari passu* therewith; or (b) the purchase or redemption by the Company of any of its shares (or the holding of such shares as treasury shares).

(g) **Disclosure of interests in Ordinary Shares**

(i) The Directors shall have power by notice in writing (a **Disclosure Notice**) to require a Shareholder to disclose to the Company the identity of any person other than the Shareholder (an **interested party**) who has any interest (whether direct or indirect) in the Ordinary Shares held by the Shareholder and the nature of such interest or has been so interested at any time during the three years immediately preceding the date on which the Disclosure Notice is issued. Any such Disclosure Notice shall require any information in response to such Disclosure Notice to be given in writing to the Company within 28 days of the date of service (or 14 days if the Ordinary Shares concerned represent 0.25 per cent. or more of the number of Ordinary Shares in issue of the class of Ordinary Shares concerned).

(ii) If any member is in default in supplying to the Company the information required by the Company within the prescribed period (which is 28 days after service of the notice or 14 days if the Ordinary Shares concerned represent 0.25 per cent. or more in number of the issued Ordinary Shares of the relevant class), or such other reasonable period as the Directors may determine, the Directors in their absolute discretion may serve a direction notice on the member (a **Direction Notice**). The Direction Notice may direct that in respect of the Ordinary Shares in respect of which the default has occurred (the **Default Shares**) and any other Ordinary Shares held by the member shall not be entitled to vote in general meetings or class meetings. Where the Default Shares represent at least 0.25 per cent. in number of the class of Ordinary 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.

(iii) The Directors may be required to exercise their power to require disclosure of interested parties on a requisition of Shareholders holding not less than 1/10th of the total voting rights attaching to the Ordinary Shares in issue at the relevant time.

(iv) In addition to the rights referred to above, the Board may serve notice on any Shareholder requiring that Shareholder to promptly provide the Company with any information, representations, certificates or forms relating to such Shareholder (or its direct or indirect owners or account holders) that the Board determines from time to time are necessary or appropriate for the Company to:

(A) satisfy any account or payee identification, documentation or other diligence requirements and any reporting requirements imposed under sections 1471 to 1474 of the United States Internal Revenue Code of 1986 Treasury Regulations made thereunder and any agreement relating thereto (including, any amendments, modification, consolidation, re-enactment or replacement thereof made from time to time) (**FATCA**) or the requirements of any similar laws or regulations to which the Company may be subject enacted from time to time by any other jurisdiction (**Similar Laws**); or

(B) avoid or reduce any tax otherwise imposed by FATCA or Similar Laws (including any withholding upon any payments to such Shareholder by the Company); or

(C) permit the Company to enter into, comply with, or prevent a default under or termination of, an agreement of the type described in section 1471(b) of the US Internal Revenue Code of 1986 or under Similar Laws.

If any Shareholder (a **Defaulting Shareholder**) is in default of supplying to the Company the information referred to above within the prescribed period (which shall not be less than 28 days after the service of the notice), the Defaulting Shareholder shall be deemed to be a Non-Qualified Holder.

(h) **Transfer of Shares**

(i) Subject to the Articles (and the restrictions on transfer contained therein), a Shareholder may transfer all or any of his Shares in any manner which is permitted by the Companies Law or in any other manner which is from time to time approved by the Board.

(ii) A transfer of a certificated Share shall be in the usual common form or in any other form approved by the Board. An instrument of transfer of a certificated Share shall be signed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee.

(iii) The Articles provide that the Board has power to implement such arrangements as it may, in its absolute discretion, think fit in order for any class of Ordinary Shares or C Shares to be admitted to settlement by means of an uncertificated system (including the CREST UK system). If the Board implements any such arrangements, no provision of the Articles will apply or have effect to the extent that it is in any respect inconsistent with:

(A) the holding of shares of the relevant class in uncertificated form;

(B) the transfer of title to shares of the relevant class by means of the CREST UK system; or

(C) the Guernsey USRs or the CREST Rules.

(iv) Where any class of Ordinary Shares or C Shares is, for the time being, admitted to settlement by means of the CREST UK system such securities may be issued in uncertificated form in accordance with and subject to the Guernsey USRs and the CREST Rules. Unless the Board otherwise determines, shares held by the same holder or joint holders in certificated form and uncertificated form will be treated as separate

holdings. Shares may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject to the Guernsey USRs and the CREST Rules. Title to such of the shares as are recorded on the register as being held in uncertificated form may be transferred only by means of the CREST UK system.

(v) The Board may, in its absolute discretion and without giving a reason, refuse to register a transfer of any share in certificated form or uncertificated form subject to the Articles which is not fully paid or on which the Company has a lien provided that this would not prevent dealings in the shares from taking place on an open and proper basis on the London Stock Exchange.

(vi) In addition, the Board may decline to transfer, convert or register a transfer of any share in certificated form or (to the extent permitted by the Guernsey USRs and the CREST Rules) uncertificated form: (a) if it is in respect of more than one class of shares; (b) if it is in favour of more than four joint transferees; (c) if applicable, if it is delivered for registration to the registered office of the Company or such other place as the Board may decide, not accompanied by the certificate for the shares to which it relates and such other evidence of title as the Board may reasonably require; or (d) the transfer is in favour of any Non-Qualified Holder.

(vii) 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 Ordinary 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 shares at the best price reasonably obtainable and pay the net proceeds of such disposal to the former holder.

(viii) The Board of Directors may decline to register a transfer of an uncertificated share which is traded through the CREST UK system in accordance with the CREST rules where, in the case of a transfer to joint holders, the number of joint holders to whom uncertificated shares is to be transferred exceeds four.

(i) **General meetings**

(i) The first general meeting (being an annual general meeting) of the Company shall be held within such time as may be required by the Companies Law and thereafter general meetings (which are annual general meetings) shall be held at least once in each calendar year and in any event, no more than 15 months since the last annual general meeting. All general meetings (other than annual general meetings) shall be called extraordinary general meetings. Extraordinary general meetings and annual general meetings shall be held in Guernsey or such other place outside the United Kingdom as may be determined by the Board from time to time.

(ii) The notice must specify the date, time and place of any general meeting and the text of any proposed special and ordinary resolution. Any general meeting shall be called by at least ten clear days' notice. A general meeting may be deemed to have been duly called by shorter notice if it is so agreed by all the members entitled to attend and vote thereat. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive such notice shall not invalidate the proceedings at the meeting.

(iii) The Shareholders may require the Board to call an extraordinary general meeting in accordance with the Companies Law.

(j) **Restrictions on voting**

Unless the Board otherwise decides, no member shall be entitled to vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all calls and other sums presently payable by him in respect of that share have been paid. No member of the Company shall, if the Directors so determine, be entitled in respect of any share held by him to attend or vote (either personally or by representative or by proxy) at any general meeting or separate class meeting of the Company or to exercise any other right conferred by membership in relation to any such meeting if he or any other person appearing to be interested in such shares has failed to comply with a Disclosure Notice (see paragraph 4(g)(i) above) within 14 days, in a case where the shares in question represent at least 0.25 per cent. of their class, or within 28 days, in any other case, from the date of such Disclosure Notice.

These restrictions will continue until the information required by the notice is supplied to the Company or until the shares in question are transferred or sold in circumstances specified for this purpose in the Articles.

(k) **Appointment, retirement and disqualification of Directors**

(i) Unless otherwise determined by the Shareholders by ordinary resolution, the number of Directors shall not be less than two and there shall be no maximum number. At no time shall a majority of the Board be resident in the UK for UK tax purposes.

(ii) A Director need not be a Shareholder. A Director who is not a Shareholder shall nevertheless be entitled to attend and speak at Shareholders' meetings.

(iii) Subject to the Articles, Directors may be appointed by the Board (either to fill a vacancy or as an additional Director). No person other than a Director retiring at a general meeting shall, unless recommended by the Directors, be eligible for election by the Company to the office of Director unless not less than seven and not more than 42 clear days before the date appointed for the meeting there shall have been left at the Company's registered office (or, if an electronic address has been specified by the Company for such purposes, sent to the Company's electronic address) notice in writing signed by a Shareholder who is duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election together with notice in writing signed by that person of his willingness to be elected, specifying his tax residency status and containing a declaration that he is not ineligible to be a Director in accordance with the Companies Law.

(iv) No person shall be or become incapable of being appointed a Director, and no Director shall be required to vacate that office, by reason only of the fact that he has attained the age of 70 years or any other age.

(v) Subject to the Articles, at each annual general meeting of the Company, any Director: (i) who has been appointed by the Board since the last annual general meeting; (ii) who held office at the time of the two preceding annual general meetings and who did not retire at either of them; or (iii) who has held office with the Company, other than employment or executive office, for a continuous period of nine years or more at the date of the meeting, shall retire from office and may offer himself for election or re-election by the Shareholders.

(vi) A Director who retires at an annual general meeting may, if willing to continue to act, be elected or re-elected at that meeting. If he is elected or re-elected he is treated as continuing in office throughout. If he is not elected or re-elected, he shall remain in office until the end of the meeting or (if earlier) when a resolution is passed to appoint someone in his place or when a resolution to elect or re-elect the Director is put to the meeting and lost.

(vii) A Director may resign from office as a Director by giving notice in writing to that effect to the Company at its registered office, which notice shall be effective upon delivery to the registered office.

(viii) The office of a Director shall be vacated: (i) if he (not being a person holding for a fixed term an executive office subject to termination if he ceases from any cause to be a Director) resigns his office by one month's written notice signed by him sent to or deposited at the Company's registered office; (ii) if he dies; (iii) if he shall have absented himself (such absence not being absence with leave or by arrangement with the Board on the affairs of the Company) from meetings of the Board for a consecutive period of 12 months and the Board resolves that his office shall be vacated; (iv) if he becomes bankrupt or makes any arrangements or composition with his creditors generally; (v) if he ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of, an order made under the provisions of any law or enactment; (vi) if he is requested to resign by written notice signed by a majority of his co-Directors (being not less than two in number); (vii) if the Company by ordinary resolution shall declare that he shall cease to be a Director; (viii) if he becomes resident in the United Kingdom for tax purposes and, as a result thereof, a majority of the Directors would, if he were to remain a Director, be resident in the United Kingdom for tax purposes; or (ix) if he becomes ineligible to be a Director in accordance with the Companies Law.

(ix) Any Director may, by notice in writing, appoint any other person (subject to the provisions in paragraph 4(k)(x) below), who is willing to act as his alternate and may remove his alternate from that office.

(x) Each alternate Director shall be either: (i) resident for tax purposes in the same jurisdiction as his appointor; or (ii) resident outside the UK for UK tax purposes, in each case for the duration of the appointment of that alternate Director and in either case shall also be eligible to be a Director under the Companies Law and signs a written consent to act. Every appointment or removal of an alternate Director shall be by notice in writing signed by the appointor and served upon the Company.

(l) **Proceedings of the Board**

(i) The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed shall be two. Subject to the Articles, a meeting of the Board at which a quorum is present shall be competent to exercise all the powers and discretion exercisable by the Board.

(ii) All meetings of the Board are to take place outside the United Kingdom and any decision reached or resolution passed by the Directors at any meeting of the Board held within the United Kingdom or at which no majority of Directors resident outside the UK (and not within the UK) for UK tax purposes is present shall be invalid and of no effect.

(iii) The Board may elect one of their number as chairman. If no chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be chairman of the meeting.

(iv) Questions arising at any meeting shall be determined by a majority of votes.

(v) The Board may delegate any of its powers to committees consisting of one or more Directors as they think fit with a majority of such Directors being resident outside of the United Kingdom for United Kingdom tax purposes. Committees shall only meet outside the United Kingdom. Any committee so formed shall be governed by any regulations that may be imposed on it by the Board and (subject to such regulations) by the provisions of the Articles that apply to meetings of the Board.

(m) **Remuneration of Directors**

The Directors shall be entitled to receive fees for their services, such sums not to exceed in aggregate £300,000 in any financial year in aggregate (or such sum as the Company in general meeting shall from time to time determine). The Directors may be paid all reasonable travelling, hotel and other out of pocket expenses properly incurred by them in attending board or committee meetings or general meetings, and all reasonable expenses properly incurred by them seeking independent professional advice on any matter that concerns them in the furtherance of their duties as a Director.

(n) **Interests of Directors**

(i) Subject to and in accordance with the Companies Law, a Director must, immediately after becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, disclose that fact to the Directors (including, if the monetary value of the Director's interest is quantifiable, the nature and monetary value of that interest, or if the monetary value of the Director's interest is not quantifiable, the nature and extent of that interest).

(ii) Subject to the provisions of the Companies Law, and provided that he has disclosed to the Directors the nature and extent of any interests of his, a Director notwithstanding his office:

(A) may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director on such terms as to the tenure of office and otherwise as the Directors may determine;

(B) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;

(C) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, a shareholder of or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested;

(D) shall not, by reason of his office, be accountable to the Company for any remuneration or benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit;

(E) may act by himself or his firm in a professional capacity for the Company, other than as auditor, and he or his firm shall be entitled to remuneration for professional services as though he were not a Director of the Company; and

(F) may be counted in the quorum present at any meeting in relation to any resolution in respect of which he has declared an interest (but he may not vote thereon).

(o) **Winding-up**

(i) If the Company shall be wound up, the liquidator may, with the sanction of an extraordinary resolution and any other sanction required by the Companies Law, divide the whole or any part of the assets of the Company among the members entitled to the same *in specie* and the liquidator or, where there is no liquidator, the Directors may for that purpose value any assets as he or they deem fair and determine how the division shall be carried out as between the members or different classes of members and, with the like sanction, may vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he or they may determine, but no member shall be compelled to accept any assets upon which there is a liability.

(ii) Where the Company is proposed to be or is in the course of being wound up and the whole or part of its business or property is proposed to be transferred or sold to another

company, the liquidator may, with the sanction of an ordinary resolution, receive in compensation shares, policies or other like interests for distribution or may enter into any other arrangements whereby the members may, in lieu of receiving cash, shares, policies or other like interests, participate in the profits of or receive any other benefit from the transferee.

(p) **Borrowing powers**

The Directors may exercise all the powers of the Company to borrow money and to give guarantees, mortgage, hypothecate, pledge or charge all or part of its undertaking, property (present or future) or assets or uncalled capital and to issue debentures and other securities whether outright, or as collateral security for any debt, liability or obligation of the Company or of any third party.

(q) **Discontinuation Resolution**

The Directors are required to propose an ordinary resolution every five years that the Company should cease to continue as presently constituted (a **Discontinuation Resolution**). In addition, the Directors will also be required to propose a Discontinuation Resolution in the event that the aggregate distributions over three years (excluding the Company's first financial year for these purposes) do not exceed the aggregate of the distribution targets over the same three year period. Such a Discontinuation Resolution will be put to Shareholders at the next annual general meeting of the Company following the requirement that it be put to Shareholders is triggered. In the event that a Discontinuation Resolution is passed, the Directors will be required to formulate proposals to be put to Shareholders within four months to wind up or otherwise reconstruct the Company, bearing in mind the illiquid nature of the Company's underlying assets.

5. MATERIAL CONTRACTS

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 its incorporation and are, or may be, material or that 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 document:

(a) **Investment Advisory Agreement**

Pursuant to an agreement dated 25 June 2013 made between the Company, Holdco and the Investment Adviser, as amended by a supplemental agreement dated 22 October 2015, the Investment Adviser has been appointed to provide investment advisory services to the Company and Holdco, to identify and source potential investments for the Company in accordance with the investment policy and to undertake the day to day management of the Company's investment portfolio, subject to the overall supervision of the Board. The Investment Adviser does not have authority to make investment decisions on behalf of the Company and all investment decisions (including in respect of new investments and the realisation of existing investments) will be subject to the approval of the Board.

The Investment Adviser will be entitled to the base fee and variable fee described in Part VI of this document.

The Investment Advisory Agreement is terminable by either the Investment Adviser or the Company giving to the other not less than 12 months' written notice, such notice not to be given before the fourth anniversary of the IPO Admission.

The Investment Advisory Agreement may be terminated by the Company with immediate effect, *inter alia* if:

(i) an order has been made or an effective resolution passed for the liquidation of the Investment Adviser;

(ii) the Investment Adviser ceases to carry on business;

(iii) the Investment Adviser has committed a material breach of the Investment Advisory Agreement and fails to remedy such breach within 30 days of receiving notice requiring it to do so or is guilty of wilful default, fraud or gross negligence or if the Investment Adviser fails to comply with any reasonable direction of the Board;

(iv) the Investment Adviser ceases to hold any required authorisation to carry out its services under the Investment Advisory Agreement;

(v) the Company is required to do so by a relevant regulatory authority and this is a final decision with no right of appeal; or

(vi) a Key Executive Event occurs (as defined in the agreement) and if only one Key Executive (initially being any of James Armstrong, Giovanni Terranova or Mike Rand) remains and a replacement is not nominated and approved by the Board within three months or if no Key Executives remain following such Key Executive Event.

The Investment Advisory Agreement may be terminated by the Investment Adviser with immediate effect if an order has been made or an effective resolution passed for the winding up of the Company or the Company has committed a material breach of the Investment Advisory Agreement and fails to remedy such breach within 30 days of receiving notice requiring it to do so.

The Company has given certain market standard indemnities in favour of the Investment Adviser in respect of the Investment Adviser's potential losses in carrying on its responsibilities under the Investment Advisory Agreement.

The Ordinary Shares acquired by the Investment Adviser in respect of the variable fee payable to it will be subject to a three year lock-up period, with one-third of the relevant Ordinary Shares becoming free from the lock-up on each anniversary of their issue. These restrictions will not prevent the Investment Adviser disposing of the relevant Ordinary Shares in the following circumstances: (i) pursuant to the acceptance of any general, partial or tender offer by any third party or the Company; (ii) in connection with a scheme of arrangement; (iii) to another member of the Investment Adviser's group or to any of its members or employees provided that the transferee continues to be bound by the lock-in; (iv) pursuant to an order of a court with competent jurisdiction; (v) on a winding-up of the Company; or (vi) a disposal of such number of Ordinary Shares (as agreed with the Board) in order to enable any member of the Investment Adviser to pay any taxation or similar levy payable by that member which is referable to the variable fee.

The Investment Advisory Agreement is governed by the laws of England and Wales.

(b) **Administration Agreement**

The Company and the Administrator have entered into an administration agreement dated 24 June 2013, pursuant to which the Company has appointed the Administrator to act as its administrator and company secretary.

Under the terms of the Administration Agreement, the Administrator is entitled to the fees described in Part VI of this document. The Administrator will, in addition, be entitled to recover third party expenses and disbursements.

The Company has given certain market standard indemnities in favour of the Administrator in respect of the Administrator's potential losses in carrying out its responsibilities under the Administration Agreement.

The Administration Agreement is terminable by either party on three months' notice in writing (given so as to expire on the last day of the calendar month), and may be terminated immediately by either party in the event of insolvency or material breach of the other party.

The Administration Agreement is governed by the laws of the Island of Guernsey.

(c) **Registrar Agreement**

The Company and the Registrar entered into a registrar agreement dated 25 June 2013, pursuant to which the Company appointed the Registrar to act as registrar of the Company.

The Registrar will be entitled to an annual fee from the Company equal to £1.65 per shareholder per annum or part thereof; with a minimum of £7,000 per annum. Other registrar activity will be charged for in accordance with the Registrar's normal tariff as published from time to time.

The Registrar Agreement may be terminated by either the Company or the Administrator giving to the other not less than three months' written notice at any time but not to expire earlier than the first anniversary of the date of the agreement.

The Registrar Agreement contains certain standard indemnities from the Company in favour of the Registrar and from the Registrar in favour of the Company. The Registrar's liability under the Registrar Agreement is subject to a financial limit.

(d) **Acquisition Facility Agreement**

(i) On 11 June 2014 Holdco and the Company entered into a facility agreement (based on London Market Association recommended documentation) between Holdco as borrower, the Company as guarantor and The Royal Bank of Scotland plc (**RBS**) as arranger, facility agent and security trustee (the **Acquisition Facility Agreement**). The Acquisition Facility Agreement relates to loans of up to £50 million (the **Loans**) with a tenor of three years (i.e. to 10 June 2017), with the final date for drawdown being 10 May 2017 and an initial margin of 225 basis points over LIBOR.

(ii) The Loans are secured by a fixed charge over the Company's assets and a floating charge over Holdco's bank accounts.

(iii) The Acquisition Facility Agreement provides for maximum leverage of 35 per cent. with an interest coverage ratio of 3.5x

(iv) On the occurrence of an event of default RBS may impose a dividend lock-up.

(v) The Company is required to provide quarterly financial covenant testing and operating reports, half year and full-year financial statements and notification of default.

(vi) The Company has undertaken to comply with all environmental requirements, maintain insurances, and maintain, replace (where necessary) and comply with project documents (subject to carve-outs and thresholds).

(vii) Mandatory prepayment of the Loans may be required in the case of illegality, change of control and following an event of default, and in respect of equity issuance proceeds, disposal proceeds, recoveries under acquisition documents and compensation, and insurance proceeds (subject to carve-outs and thresholds).

(viii) Events of default include non-payment, breach of a covenant and misrepresentation, cross default and insolvency, material adverse change, failure to maintain LSE listing and change of Investment Adviser.

(ix) The Company has made representations in respect of information provided to the lenders, environmental compliance, security and financial indebtedness and Group structure.

(e) **Sponsor and Placing Agreement**

Pursuant to the Sponsor and Placing Agreement dated 26 October 2015 between the Company, the Investment Adviser and Numis, and subject to certain conditions, Numis has agreed to use its reasonable endeavours to procure subscribers for the New Ordinary Shares pursuant to the Initial Placing at the Initial Issue Price and for New Ordinary Shares and/or C Shares at the applicable Placing Programme Price pursuant to the Placing Programme. In addition, under the Sponsor and Placing Agreement, Numis has been appointed as sponsor

and financial adviser in connection with the proposed applications for Admission, the Initial Placing and Offer and the Placing Programme. Neither the Initial Placing nor the Placing Programme are being underwritten.

The obligations of the Company to issue the New Ordinary Shares and the obligations of Numis to use its reasonable endeavours to procure subscribers for New Ordinary Shares pursuant to the Initial Placing or any Placing is conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, among others: (i) the Resolution being passed at the EGM; (ii) the Sponsor and Placing Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms prior to Initial Admission; and (iii) Initial Admission occurring by 8.00 a.m. on 4 December 2015 (or such later date as the Company and Numis may agree in writing, being not later than 8.00 a.m. on 31 December 2015).

The obligations of the Company to issue the New Ordinary Shares and/or C Shares and the obligations of Numis to use its reasonable endeavours to procure subscribers for New Ordinary Shares and/or C Shares pursuant to any Placing under the Placing Programme is also conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, among others: (i) the Resolution being passed at the EGM; (ii) the Sponsor and Placing Agreement becoming otherwise unconditional in respect of that Placing, and not being terminated in accordance with its terms before the relevant Admission becomes effective; (iii) if a supplementary prospectus is required to be published in accordance with FSMA, such supplementary prospectus being approved by the FCA and published by the Company in accordance with the Prospectus Rules; and (iv) Admission of the New Ordinary Shares or C Shares issued pursuant to each Placing at such time and on such date as the Company and Numis may agree prior to the closing of that Placing, not being later than 25 October 2016.

The Company and the Investment Adviser have given warranties to Numis concerning, *inter alia*, the accuracy of the information contained in this document. The Company and the Investment Adviser have also given indemnities to Numis. The warranties and indemnities given by the Company and the Investment Adviser are standard for an agreement of this nature.

The Sponsor and Placing Agreement may be terminated by Numis in certain customary circumstances prior to Admission.

The Sponsor and Placing Agreement is governed by the laws of England and Wales.

(f) **Receiving Agent's Agreement**

The Company and the Registrar have entered into a receiving agent agreement dated 26 October 2015, pursuant to which the Company has appointed Capita Registrars to act as receiving agent to the Offer. The Receiving Agent is entitled to receive various fees for services provided in relation to the Offer for subscription, subject to a minimum of £9,000, as well as reasonable out-of-pocket expenses. The agreement contains certain standard indemnities from the Company in favour of the Receiving Agent. The Receiving Agent's liability under the Receiving Agent's Agreement is subject to a financial limit.

(g) **CCLA Subscription Deed**

The Company, Numis the Investment Adviser and CCLA entered into a deed of subscription under which CCLA agreed to subscribe for such number of Ordinary Shares as shall represent 20.0 per cent. of the Company's issued share capital on IPO Admission, subject to a maximum of 25 million Ordinary Shares and conditional on a minimum of 100 million Ordinary Shares being subscribed under the Company's IPO.

The Subscription Deed contained standard representations and warranties from the Company and the Investment Adviser to CCLA and standard representations and warranties from CCLA to the Company and to Numis. CCLA's liability for such representations and warranties was limited to the consideration payable under the Subscription Deed.

In consideration of CCLA entering into the Subscription Deed, the Investment Adviser has agreed to pay CCLA an amount equal to the amount by which the Blended Base Fee Rate (as defined in the Subscription Deed) exceeds 0.80 per cent. per annum multiplied by the Net Asset Value attributable to the Ordinary Shares held by CCLA as at the relevant quarter date on which the base management fee is payable in arrears to the Investment Adviser. The Investment Adviser shall pay the fee rebate to CCLA within five business days of the Investment Adviser receiving payment of the base fee to which the fee rebate is attributable. For the avoidance of doubt no fee rebate will be payable in the event that the Blended Base Fee Rate is less than 0.80 per cent. per annum.

The Subscription Deed is governed by the laws of England and Wales.

(h) **2014 Sponsor and Placing Agreement**

Pursuant to the 2014 Sponsor and Placing Agreement dated 3 October 2014 between the Company, the Investment Adviser and Numis, Numis agreed to use its reasonable endeavours to procure subscribers for the Ordinary Shares and/or C Shares at the applicable issue price pursuant to the 2014 Placing Programme. In addition, under the 2014 Sponsor and Placing Agreement, Numis was appointed as sponsor and financial adviser to the Company in connection with the applications for admission and the issue of Ordinary Shares and/or C Shares pursuant to the 2014 Placing Programme.

The Company and the Investment Adviser gave warranties to Numis concerning, *inter alia*, the accuracy of the information contained in the prospectus published in connection with the 2014 Placing Programme. The Company and the Investment Adviser also gave indemnities to Numis. The warranties and indemnities given by the Company and the Investment Adviser were standard for an agreement of this nature.

6. LITIGATION

There are no governmental, legal or arbitration proceedings nor, so far as the Company is aware, are there any governmental, legal or arbitration proceedings pending or threatened which may have, or have since incorporation had, a significant effect on the Group's financial position or profitability.

7. NO SIGNIFICANT CHANGE

Other than an increase in the unaudited profit before tax by £5,734,726 for the period from 1 July 2015 to 30 September 2015 compared to the corresponding period in the preceding year, there has been no significant change in the financial or trading position of the Group since 30 June 2015.

8. RELATED PARTY TRANSACTIONS

Except with respect to the appointment letters and instruments of indemnity entered into between the Company and each director as set out in paragraphs 3(h) and (j) of this Part XII and the Investment Advisory Agreement entered into between the Company, Holdco and the Investment Adviser as set out in paragraph 5(a) of this Part XII and save as disclosed in note 19 to the financial statements for the period from 29 May 2013 to 30 June 2014 and in note 19 to the financial statements for the financial year ended 30 June 2015, the Company was not a party to, nor had any interest in, any related party transaction (as defined in the Standards adopted according to Regulation (EC) No 1606/2002) since the Company's incorporation.

9. GENERAL

(a) The Initial Placing and the Placing Programme are being carried out on behalf of the Company by Numis which is authorised and regulated in the UK by the Financial Conduct Authority.

(b) The Investment Adviser may be a promoter of the Company. Save as disclosed in paragraph 5 above no amount or benefit has been paid, or given, to the promoter or any of its subsidiaries since the incorporation of the Company and none is intended to be paid, or given.

(c) The address of the Investment Adviser is 45 Queen Anne Street, London W1G 9EL and its telephone number is +44 (0)20 7078 0020.

(d) At the date of this document, the assets of the Company are approximately £292.0 million. Under the Initial Placing and Offer and the Placing Programme, assuming that 250 million New Ordinary Shares are issued at an issue price of 102 pence, the net assets of the Company would increase by approximately £252.0 million immediately after Admission of such New Ordinary Shares. The Company derives earnings from its gross assets in the form of dividends and interest.

(e) None of the New Ordinary Shares or the C Shares available under the Initial Placing and Offer or the Placing Programme are being underwritten.

(f) CREST is a paperless settlement procedure enabling securities to be evidenced other than by certificates and transferred other than by written instrument. The Articles of the Company permit the holding of the New Ordinary Shares and the C Shares under the CREST system. The Directors intend to apply for the New Ordinary Shares and the C Shares to be admitted to CREST with effect from their respective Admission. Accordingly it is intended that settlement of transactions in the New Ordinary Shares and C Shares following their Admission may take place within the CREST system if the relevant Shareholders so wish. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so upon request from the Registrar.

(g) The Company does not own any premises and does not lease any premises.

10. THIRD PARTY SOURCES

(a) Certain information contained in this document has been sourced from third parties. Such information (which can be identified by the word "source" followed by the source) 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.

(b) The Investment Adviser has given and not withdrawn its written consent to the issue of this document with references to its name in the form and context in which such references appear and has authorised the inclusion of such statements in this document. The Investment Adviser accepts responsibility for information attributed to it in this document and declares that, having taken all reasonable care to ensure that such is the case, the information attributed to it in this document is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

11. MANDATORY BIDS, SQUEEZE OUT AND SELL OUT RIGHTS RELATING TO THE SHARES

(a) The Takeover Code applies to the Company. Under the Takeover Code, if an acquisition of Ordinary Shares were to increase the aggregate holding of the acquirer and its concert parties to Ordinary Shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer (and depending on the circumstances, its concert parties) would be required, except with the consent of the Panel, to make a cash offer for the outstanding Ordinary Shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by an acquisition of Ordinary Shares by a person holding (together with its concert parties) Ordinary Shares carrying between 30 per cent. and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights.

(b) Ordinary Shares may be subject to compulsory acquisition in the event of a takeover offer which satisfies the requirements of Part XVIII of the Companies Law, or in the event of a scheme of arrangement under Part VIII of the Companies Law.

(c) In order for a takeover offer to satisfy the requirements of Part XVIII of the Companies Law, the prospective purchaser must prepare a scheme or contract (in this paragraph, the **Offer**) relating to the acquisition of the Ordinary Shares and make the Offer to some or all of the Shareholders. If, within a period of four months following the making of the Offer, the Offer has

been accepted by Shareholders holding 90 per cent. in value of the Ordinary Shares affected by the Offer, the purchaser may within a period of two months immediately after the last day on which the offer can be accepted, give notice (in this paragraph, a **Notice to Acquire**) to any Shareholder to whom the Offer was made but who has not accepted the Offer (in this paragraph, the **Dissenting Shareholders**) explaining the purchaser's intention to acquire their Ordinary Shares on the same terms. The Dissenting Shareholders have a period of one month from the Notice to Acquire in which to apply to the Court for the cancellation of the Notice to Acquire. Unless, prior to the end of that one month period the Court has cancelled the Notice to Acquire or granted an order preventing the purchaser from enforcing the Notice to Acquire, the purchaser may acquire the Ordinary Shares belonging to the Dissenting Shareholders by paying the consideration chosen by the relevant Dissenting Shareholder, which it will hold on trust for the Dissenting Shareholders.

(d) A scheme of arrangement is a proposal made to the Court by the Company in order to effect an "arrangement" or reconstruction, which may include a corporate takeover in which the Ordinary Shares are acquired in consideration for cash or shares in another company. A scheme of arrangement is subject to the approval of a majority in number representing at least 75 per cent. (in value) of the members (or any class of them) present and voting in person or by proxy at a meeting convened by the Court and subject to the approval of the Court. If approved, the scheme of arrangement is binding on all Shareholders.

(e) In addition, the Companies Law permits the Company to effect an amalgamation, in which the Company amalgamates with another company to form one combined entity. The Ordinary Shares would then be shares in the capital of the combined entity.

12. AIFM DIRECTIVE

The AIFM Directive seeks to regulate alternative investment fund managers and imposes obligations on managers who manage alternative investment funds in the EU or who market shares in such funds to EU investors. In order to obtain authorisation under the AIFM Directive, an AIFM would need to comply with various organisational, operational and transparency obligations, which may create significant additional compliance costs, some of which may be passed to investors in the AIF and may affect dividend returns.

The Company is categorised as an internally managed non-EU AIFM for the purposes of the AIFM Directive and as such neither it nor the Investment Adviser is required to seek authorisation under the AIFM Directive. However, following national transposition of the AIFM Directive in a given EU member state, the marketing of shares in AIFs that are established outside the EU (such as the Company) to investors in that EU member state will be prohibited unless certain conditions are met. Certain of these conditions are outside the Company's control as they are dependent on the regulators of the relevant third country (in this case Guernsey) and the relevant EU member state entering into regulatory co-operation agreements with one another.

The Company cannot guarantee that such conditions will be satisfied. In cases where the conditions are not satisfied, the ability of the Company to market its shares or raise further equity capital in the EU may be limited or removed. Any regulatory changes arising from implementation of the AIFM Directive (or otherwise) that limit the Company's ability to market future issues of its shares may materially adversely affect the Company's ability to carry out its investment policy successfully and to achieve its investment objective, which in turn may adversely affect the Company's business, financial condition, results of operations, NAV and/or the market price of the Ordinary Shares.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company and at the offices of Norton Rose Fulbright LLP, 3 More London Riverside, London SE1 2AQ during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) until 25 October 2016 or, if earlier, the date on which the Placing Programme is closed or terminated.

(a) the memorandum of incorporation of the Company;

(b) the Articles;

(c) the audited financial statements for the years ended 30 June 2014 and 30 June 2015;

(d) the written consent of the Investment Adviser referred to in paragraph 10(b) of this Part XII; and

(e) this document.

This document is dated 26 October 2015.

PART XIII

NOTICES TO OVERSEAS INVESTORS

No application to market the New Ordinary Shares or C Shares has been made been made by the Company under the relevant private placement regime in any member state of the EEA other than in the United Kingdom, Ireland and Luxembourg (further details of which are set out below). No marketing of New Ordinary Shares and C Shares in any member state of the EEA other than the United Kingdom, Ireland and Luxembourg will be undertaken by the Company save to the extent that such marketing is permitted by the AIFM Directive as implemented in the relevant member state.

If you receive a copy of this document in any territory other than the United Kingdom, Ireland, Luxembourg, Jersey or Guernsey (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 New Ordinary Shares or C Shares under the Initial Issue or 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 requiring 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. Applications by investors in Eligible Jurisdictions are subject to certain further representations.

This document 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 document and the offering of New Ordinary Shares and/or C Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this document is received are required to inform themselves about and to observe such restrictions.

None of the New Ordinary Shares or C Shares have been or will be registered under the laws of Australia, Canada, Japan or the Republic of South Africa or under the Securities Act or with any securities regulatory authority of any State or other political subdivision of the United States, Australia, Canada, Japan or the Republic of South Africa. Accordingly, unless an exemption under such Act or laws is applicable, the New Ordinary Shares and C Shares may not be offered, sold or delivered, directly or indirectly, within Australia, Canada, Japan, the Republic of South Africa or the United States or to any US Person (as the case may be). If you subscribe for New Ordinary Shares or C Shares you will, unless the Company agrees otherwise in writing, be deemed to represent and warrant to the Company that you are not a US Person or a resident of Australia, Canada, Japan or the Republic of South Africa or a corporation, partnership or other entity organised under the laws of the United States, Australia or Canada (or any political subdivision of any of them), Japan or the Republic of South Africa and that you are not subscribing for such New Ordinary Shares or C Shares for the account of any US Person or resident of the United States, Australia, Canada, Japan or the Republic of South Africa and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the New Ordinary Shares or C Shares in or into the United States, Australia, Canada, Japan, the Republic of South Africa or to any US Person or resident in Australia, Canada, Japan or the Republic of South Africa. No application will be accepted if it shows the applicant, payor or a prospective holder having an address in the United States, Australia, Canada, Japan or the Republic of South Africa.

This document 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 or otherwise intend to, or may have a contractual or other legal obligation to forward this document 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.

FOR THE ATTENTION OF UNITED STATES RESIDENTS

The New Ordinary Shares and C Shares have not been and they will not be registered under the Securities Act, or with any securities regulatory authority of any State or any other jurisdiction of the United States and may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 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 Investment Company Act, and investors will not be entitled to the benefits of the Investment Company Act. The New Ordinary Shares and C Shares have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of New Ordinary Shares or C Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States and any re-offer or resale of any of the New Ordinary Shares or C Shares in the United States or to US Persons may constitute a violation of US law or regulation. Unless otherwise agreed by the Company in writing, applicants for New Ordinary Shares or C Shares will be required to certify that they are not US Persons and are not subscribing for New Ordinary Shares or C Shares on behalf of US Persons. Subject to certain exceptions, any person in the United States who obtains a copy of this document is requested to disregard it.

FOR THE ATTENTION OF GUERNSEY RESIDENTS

This document may only be distributed or circulated directly or indirectly in or from within the Bailiwick of Guernsey: (i) by persons licensed to do so by the Commission under the POI Law; or (ii) to persons licensed under the POI Law, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Business and Company Directors etc. (Bailiwick of Guernsey) Law, 2000.

EUROPEAN ECONOMIC AREA – PROSPECTUS REQUIREMENTS

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), an offer to the public of any New Ordinary Shares or C Shares, may not be made in that Relevant Member State other than pursuant to the Initial Placing and any Placing under the Placing Programme contemplated in this document in the UK once this document has been approved by the UKLA and published in accordance with the Prospectus Directive, except that, subject to separate restrictions imposed by the Alternative Investment Fund Managers Directive (in relation to which see below), the New Ordinary Shares and/or C Shares may be offered to professional investors in that Relevant Member State at any time under the following exemptions under the Prospectus Directive, if it has been implemented in that Relevant Member State:

(a) to legal entities which are qualified investors as defined in the Prospectus Directive;

(b) to fewer than 100, or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) as permitted under the Prospectus Directive and subject to obtaining the consent of Numis for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of New Ordinary Shares or C Shares shall result in a requirement for, the publication by the Company or Numis of a prospectus pursuant to Article 3 of the Prospectus Directive, or supplementing a prospectus pursuant to Article 16 of the Prospectus Directive, and each person who initially acquires New Ordinary Shares or C Shares, as applicable, or to whom any offer is made will be deemed to have represented, warranted to and agreed with Numis and the

Company that it is a "qualified investor" within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

In those Relevant Member States which have implemented the AIFM Directive, the New Ordinary Shares and C Shares may only be offered in that Relevant Member State to the extent that shares in the Company may be marketed in the Relevant Member State pursuant to Article 42 or Article 61 of the AIFM Directive or can otherwise be lawfully marketed in that Relevant Member State in accordance with the AIFM Directive or under applicable implementing legislation (if any) of that Relevant Member State. Each person who initially acquires New Ordinary Shares or C Shares, as applicable, or to whom any offer is made will be deemed to have represented, warranted and agreed to and with Numis and the Company that if that Relevant Member State has implemented the AIFM Directive, that it is a person to whom the New Ordinary Shares or C Shares, as applicable, may lawfully be marketed under the AIFM Directive or under the applicable implementing legislation (if any) of that Relevant Member State.

For the purposes of this provision, the expression an "offer to the public" in relation to any New Ordinary Shares and/or C Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Ordinary Shares and/or C Shares to be offered so as to enable an investor to decide to purchase any New Ordinary Shares or C Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

In the case of any Ordinary Shares and/or C Shares being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will be deemed to have represented, warranted, acknowledged and agreed that the New Ordinary Shares or C Shares, as applicable, subscribed by it pursuant to the Initial Placing or any Placing under the Placing Programme have not been subscribed on a non-discretionary basis on behalf of, nor have they been subscribed with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any New Ordinary Shares or C Shares to the public other than their offer or resale in a Relevant Member State to qualified investors as so defined or in circumstances in which the prior consent of Numis has been obtained to each such proposed offer or resale.

The Company, Numis and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements. Notwithstanding the above, a person who is not a qualified investor and who has notified Numis of such fact in writing may, with the consent of Numis, be permitted to subscribe for New Ordinary Shares pursuant to the Initial Placing or New Ordinary Shares or C Shares pursuant to any Placing under the Placing Programme.

FOR THE ATTENTION OF IRISH RESIDENTS

Neither the Company nor any investment in the Company has been authorised by the Central Bank of Ireland. This document does not, and shall not be deemed to, constitute an invitation to the public in Ireland to purchase interests in the Company.

The New Shares have not been and will not be registered in Ireland or passported for inward marketing to professional investors (as defined in Annex II of Directive 2004/39/EC) under the European Communities (Alternative Investment Fund Manager) Regulations 2013 (**AIFM Regulations**) or any applicable regulations or guidance issued thereunder by the Central Bank of Ireland. The New Shares may only be offered to professional investors on a private placement basis in accordance with the AIFM Directive. In respect of such private placement, the Company has provided notification to the Central Bank of Ireland and has received confirmation of its eligibility to market the New Shares under Article 42 of the AIFM Directive (as implemented into Irish Law).

The offer of New Shares in the Company shall not be made by any person in Ireland otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments)

Regulations 2007 (as amended) and in accordance with any codes, guidance or requirements imposed by the Central Bank of Ireland thereunder.

FOR THE ATTENTION OF LUXEMBOURG RESIDENTS

This document is strictly private and confidential, is being issued solely to the addressee and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient. This document should not be considered as a public offering in the Grand Duchy of Luxembourg. The Company has notified its intention to market shares of the Company in Luxembourg to the Commission de Surveillance du Secteur Financier in accordance with article 45 of the Luxembourg Law of 12 July 2013 to professional investors only, and has received confirmation of its eligibility to market the Shares under Article 42 of the AIFM Directive (as implemented into Luxembourg Law). Each person in Luxembourg to whom any offer is made will be deemed to have represented, acknowledged and agreed that it is a professional investor (which, for this purpose shall have the same meaning as a "professional client" as such term is defined in the Markets in Financial Instruments Directive 2004/39/EC).

2014 Placing Programme	the placing programme of up to 150 million New Ordinary Shares and C Shares as described in the prospectus published by the Company on 3 October 2014
2014 Tap Issue	the issue of 13,028,999 Ordinary Shares on 3 March 2014 at a price per Ordinary Share of 101 pence
Acquisition Facility	the £50 million revolving credit facility made available to the Group pursuant to the Acquisition Facility Agreement
Acquisition Facility Agreement	the revolving credit acquisition facility agreement dated 11 June 2014 between the Company, Holdco and The Royal Bank of Scotland plc, details of which are set out in paragraph 5(d) of Part XII of this document
Administration Agreement	the administration agreement between the Company and the Administrator, a summary of which is set out in paragraph 5(b) of Part XII of this document
Administrator	Heritage International Fund Managers Limited
Admission	admission of: (i) the New Ordinary Shares issued pursuant to the Initial Issue or the Placing Programme, as applicable, to the premium segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange; and/or (ii) admission of C Shares issued pursuant to the Placing Programme to the standard segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange, as the context requires
Aggregate Group Debt	the debt incurred by the Group and the Group's proportionate share of the outstanding third party borrowings of non-subsidiary companies in which the Group holds an interest
AIC	the Association of Investment Companies
AIC Code	the AIC Code of Corporate Governance
AIF	an Alternative Investment Fund, as defined in the AIFM Directive
AIFM	an Alternative Investment Fund Manager, as defined in the AIFM Directive
AIFM Directive	the EU Directive on Alternative Investment Fund Managers
Application Form	the application form attached to this document for use in connection with the Offer
Articles	the articles of incorporation of the Company, as amended from time to time
Auditors	KPMG Channel Islands Limited
Bluefield	Bluefield Partners LLP
Bluefield Development Fund	Bluefield Energy Solar Development Fund
BER	BE Renewables Limited, a company under common control with the Investment Adviser
Board	the board of directors of the Company
Business Day	a day on which the London Stock Exchange and banks in Guernsey are normally open for business

BSL	Bluefield Services Limited
C Shares	redeemable ordinary shares of no par value in the capital of the Company issued as "C Shares" and having the rights and being subject to the restrictions described in Part XI of this document, which will convert into Ordinary Shares as set out in the Articles
C Share Issue Price	£1.00 per C Share
Capita Registrars or **Capita Asset Services**	a trading name of Capita Registrars Limited
CCLA	CCLA Investment Management Limited
certificated or **certificated form**	not in uncertificated form
CfD FiTs	Contract for Differences for FiTS
Climate Change Levy or **CCL**	the tax imposed by the UK Government to encourage reduction in gas emissions and greater efficiency of energy used for business or non domestic purposes
Commission or **GFSC**	the Guernsey Financial Services Commission
Companies Law	the Companies (Guernsey) Law, 2008, as amended
Company	Bluefield Solar Income Fund Limited
CPI	the consumer prices index published by the Office for National Statistics
CREST Manual	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI No. 2001/3755) and the Guernsey USRs
CREST	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755) of the United Kingdom
Current Portfolio	the portfolio of solar PV assets held by the Group as 23 October 2015, as further described in Part IV of this document
DECC	the Department of Energy and Climate Change
DECC Consultation	the DECC consultation entitled "Consultation on changes to financial support for solar PV" which ran from 22 July 2015 to 2 September 2015
DevCo	a development SPV owned by the Bluefield Development Fund
Directors or **Board**	the directors of the Company
Disclosure and Transparency Rules or **DTRs**	the disclosure rules and transparency rules made by the FCA under Part VI of FSMA
Discontinuation Resolution	has the meaning given in the section headed "Duration" in Part II of this document as to the discontinuation of the Company as currently constituted
EDF	EDF Energy plc
EEA	the European Economic Area

EMR	Electricity Market Reform
ERISA	the US Employee Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder
EU	the European Union
EU ETS	the EU Emissions Trading Scheme
Euroclear	Euroclear UK & Ireland Limited
Exchange Act	the US Securities Exchange Act of 1934, as amended
Excluded Territory	the United States of America, Australia, Canada, Japan and the Republic of South Africa and any other jurisdiction where the extension or availability of the Issues would breach any applicable law
Extraordinary General Meeting or **EGM**	the extraordinary general meeting of the Shareholders of the Company to be held at Heritage Hall, PO Box 225, Le Marchant Street, St Peter Port, Guernsey GY1 4HY on 17 November 2015 at 10.05 a.m. (or, if later, as soon as practicable following the conclusion of the Company's annual general meeting convened for the same day) to consider and, if thought fit, approve the Resolution
FATCA	the U.S. Foreign Account Tax Compliance Act of 2010
Financial Conduct Authority or **FCA**	the Financial Conduct Authority of the United Kingdom and, where applicable, acting as the competent authority for listing in the United Kingdom
FiT	Feed-in tariff
Form of Proxy	the enclosed form of proxy for use in relation to the EGM
FSMA	the Financial Services and Markets Act 2000, as amended
GB	Great Britain
GWh	gigawatt hour, a measure of energy
Gross Asset Value	the aggregate of: (i) the fair value of the Group's underlying investments (whether or not subsidiaries) valued on an unlevered, discounted cashflow basis as described in the International Private Equity and Venture Capital Valuation Guidelines (latest edition December 2012); (ii) the Group's proportionate share of the cash balances and cash equivalents of Group Companies and non-subsidiary companies in which the Group holds an interest; and (iii) the other relevant assets or liabilities of the Group valued at fair value (other than third party borrowings) to the extent not included in (i) and (ii) above
Group	the Company, Holdco and any other direct or indirect subsidiaries of either of them
Guernsey AML Requirements	The Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999 (as amended), ordinances, rules and regulations made thereunder, and the GFSC's Handbook for Financial Services Businesses on Countering Financial Crime and Terrorist Financing (as amended, supplemented and/or replaced from time to time)
Guernsey USRs	the Uncertificated (Guernsey) Regulations, 2009, as amended from time to time

Holdco	Bluefield SIF Investments Limited, a wholly-owned subsidiary of the Company incorporated and registered under the UK Companies Act 2006
Holdco Board	the board of directors of Holdco
Holdco Investment Committee	the investment committee of Holdco described in Part V of this document
IFRS	International Financial Reporting Standards
Initial Admission	Admission of the New Ordinary Shares issued pursuant to the Initial Issue
Initial Issue	the Initial Placing and the Offer
Initial Issue Price	102 pence per New Ordinary Share
Initial Placing	the conditional placing by Numis of New Ordinary Shares pursuant to the Initial Issue, but for the avoidance of doubt excludes any New Shares issued pursuant to the Placing Programme
Internal Revenue Code	the U.S. Internal Revenue Code of 1986, as amended
Investment Adviser	Bluefield Partners LLP
Investment Advisory Agreement	the Investment Advisory agreement between the Company and the Investment Adviser, as amended by a supplemental agreement dated 22 October 2015, a summary of which is set out in paragraph 5(a) of Part XII of this document
Investment Committee	the investment committee of the Investment Adviser, details of which are set out in Part V of this document
Investment Company Act	the US Investment Company Act of 1940, as amended
IPO	the initial public offering of the Company's Ordinary Shares as described in the IPO Prospectus
IPO Admission	the admission of the Ordinary Shares issued to investors in relation to the Company's IPO, which took place on 12 July 2013
IPO Prospectus	the prospectus issued by the Company in connection with its IPO and dated 25 June 2013
ISA	an individual savings account
ISIN	International Securities Identification Number
Issue Price	the Initial Issue Price or the relevant Placing Programme Price (as the context may require)
Issues	the Initial Issue and the Placing Programme
KW	kilowatt, equal to one thousand watts, a measure of power
KWh	kilowatt hour, a measure of energy
Listing Rules	the listing rules made by the Financial Conduct Authority pursuant to Part VI of FSMA
London Stock Exchange or **LSE**	London Stock Exchange plc
LSE Admission Standards	the rules issued by the London Stock Exchange in relation to the admission to trading of, and continuing requirements for, securities admitted to the main market for listed securities

Managing Partners	the managing partners of the Investment Adviser, being James Armstrong, Mike Rand and Giovanni Terranova
Memorandum	the memorandum of incorporation of the Company
MW	megawatt, equal to one million watts, a measure of power
MWh	megawatt hour, a measure of energy
MWp	megawatt peak, being the power produced when a solar project is at peak operating performance with the sun shining strongly at midday
Net Asset Value or **NAV**	the Gross Asset Value less the Aggregate Group Debt
Net Asset Value per Ordinary Share	the Net Asset Value of the Company divided by the number of Ordinary Shares in issue at the relevant time
New Ordinary Shares	the Ordinary Shares to be issued pursuant to the Initial Issue or the Placing Programme as described in this document and having the rights set out in the Articles and **New Ordinary Share** shall be construed accordingly
New Ordinary Share Issue Price	a price per New Ordinary Share to be issued pursuant to the Placing Programme as determined in accordance with Part VIII of this document
Non-Qualified Holder	any person whose ownership of Shares may: (i) cause the Company's assets to be deemed "plan assets" for the purposes of the Internal Revenue Code; (ii) cause the Company to be required to register as an "investment company" under the Investment Company Act (including because the holder of the shares is not a "qualified purchaser" as defined in the Investment Company Act); (iii) cause the Company to register under the Exchange Act, the Securities Act or any similar legislation; (iv) cause the Company not being considered a "Foreign Private Issuer" as such term is defined in rule 36-4(c) under the Exchange Act; or (v) cause the Company to be a "controlled foreign corporation" for the purposes of the Internal Revenue Code, or may cause the Company to suffer any pecuniary disadvantage (which will include any excise tax, penalties or liabilities under ERISA or the Internal Revenue Code, including as a result of the Company's failure to comply with FATCA as a result of the Non-Qualified Holder failing to provide information concerning itself as requested by the Company in accordance with its Articles)
New Shares	(i) for the purposes of the Initial Placing and Offer, the New Ordinary Shares to be issued at the Initial Issue Price pursuant to the Initial Placing and Offer; and (ii) for the purposes of the Placing Programme, the Shares to be issued at the applicable Placing Programme Price pursuant to Placings, which may be issued as New Ordinary Shares and/or C Shares (of any class) as determined at the discretion of the Directors at the time of issue, and **New Share** shall be construed accordingly
Numis	Numis Securities Limited
Offer for Subscription or **Offer**	the offer for subscription to the public in the UK of New Ordinary Shares on the terms and conditions set out in Appendix 2 to this document and the Application Form
Ofgem	The Office of Gas and Electricity Markets

Ordinary Shares	redeemable ordinary shares of no par value in the capital of the Company (including the New Ordinary Shares, where the context requires)
Pipeline Agreement	the agreement between the Investment Adviser, BER and the Bluefield Development Fund, details of which are set out in Part IV of this document
Placee	a person subscribing for New Shares under the Initial Placing or a Placing under the Placing Programme
Placing	a placing of New Shares under the Placing Programme
Placing Programme	the proposed programme of placings of up to 250 million New Shares (less the number of any New Ordinary Shares issued pursuant to the Initial Issue) as described in Part VIII of this document
Placing Programme Price	the New Ordinary Share Issue Price or the C Share Issue Price, as applicable
Plan Asset Regulations	the regulations promulgated by the U.S. Department of Labor at 29 CFR 2510.3-101, as modified by section 3(42) of ERISA
Plan Investor	(i) an "employee benefit plan" as defined in section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the Internal Revenue Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the Internal Revenue Code; or (iii) an entity whose underlying assets are considered to include "plan assets" by reason of investment by an "employee benefit plan" or "plan" described in the preceding clause (i) or (ii) in such entity pursuant to the Plan Asset Regulations
Plan Threshold	ownership by benefit plan investors, as defined under section 3(42) of ERISA, in the aggregate of 25 per cent. or more of the value of any class of equity in the Company (calculated by excluding the value of any equity interest held by any person (other than a benefit plan investor, as defined under section 3(42) of ERISA) that has discretionary authority or control with respect to the assets of the Company or that provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of such a person); the term shall be amended to reflect such new ownership threshold that may be established by a change in the Plan Asset Regulations or other applicable law
PPA	Power Purchase Agreement
Prospectus Directive	Directive 2003/71/EC of the European Parliament and Council on the prospectus to be published when transferable securities are offered to the public or admitted to trading
PV	photovoltaic – a photovoltaic panel, usually made from silicon, turns solar radiation into electricity
Prospectus Rules	the prospectus rules made by the Financial Conduct Authority under section 73(A) of FSMA
Qualified Institutional Buyer or **QIB**	a qualified institutional buyer within the meaning of Rule 144A under the Securities Act
Qualified Purchaser or **QP**	a qualified purchaser within the meaning of section 2(a)(51) of the Investment Company Act and the related rules thereunder

Receiving Agent	Capita Registrars
Receiving Agent Agreement	the receiving agent agreement between the Company and the Receiving Agent relating to the Offer, a summary of which is set out in paragraph 5(f) of Part XII of this document
Registrar	Capita Registrars (Guernsey) Limited or such other person or persons from time to time appointed by the Company to act as its registrar
Registrar Agreement	the registrar agreement between the Company and the Registrar, a summary of which is set out in paragraph 5(c) of Part XII of this document
Regulation S	Regulation S promulgated under the Securities Act
Renewable Energy Action Plan	the plan required by each Member State of the EU pursuant to Article 4 of the European Renewable Energy Directive (2009/28/EC) setting out measures to enable the UK to reach its target for 15 per cent. of energy consumption in 2020 to be from renewable sources
Renewable Energy Directive	Directive 2009/28/EC of the European Parliament and of the Council of the European Union of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC
Renewables Obligation or **RO**	the financial mechanism by which the UK Government incentivises the deployment of large-scale renewable electricity generation by placing a mandatory requirement on licensed UK electricity suppliers to source a specified and annually increasing proportion of electricity they supply to customers from eligible renewable sources or pay a penalty
Resolution	the special resolution that will be put to Shareholders at the Extraordinary General Meeting to approve the disapplication of pre-emption rights for up to 250 million New Shares to be issued pursuant to the Initial Issue and the Placing Programme
ROCs	Renewables Obligation certificates
Regulatory Information Service or **RIS**	a regulatory information service
RPI	the Retail Prices Index as published by the Office for National Statistics or any comparable index which may replace it for all items
Rules	the Registered Collective Investment Scheme Rules 2015 issued by the Commission under The Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended
SEC	the US Securities and Exchange Commission
Securities Act	the US Securities Act of 1933, as amended
SEDOL	Stock Exchange Daily Official List
Shareholder	a holder of Ordinary Shares or C Shares as the context may require
Share	a share in the capital of the Company (of whatever class and including a C Share of any class and an Ordinary Share converted from a C Share)

Special Purpose Company or **SPV**	a special purpose vehicle, being a company or other entity whose sole purpose is the holding of a particular asset
Sponsor and Placing Agreement	the conditional agreement between the Company, the Investment Adviser, and Numis relating to the Initial Issue and the Placing Programme, a summary of which is set out in paragraph 5(e) of Part XII of this document
Sterling	the lawful currency of the United Kingdom
US Persons	has the meaning given to it in Regulation S under the Securities Act
UK Corporate Governance Code	the UK Corporate Governance Code as published by the Financial Reporting Council
UK or **United Kingdom**	the United Kingdom of Great Britain and Northern Ireland
uncertificated or **in uncertificated form**	recorded on the register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
United States or **US**	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia

APPENDIX 1

TERMS AND CONDITIONS OF THE INITIAL PLACING AND THE PLACING PROGRAMME

1. INTRODUCTION

Each Placee which confirms its agreement to Numis to subscribe for New Shares under the Initial Placing and/or a Placing pursuant to the Placing Programme will be bound by these terms and conditions and will be deemed to have accepted them.

The Company and/or Numis may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it/they (in its/their absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter (a **Placing Letter**).

2. AGREEMENT TO SUBSCRIBE FOR NEW ORDINARY SHARES AND/OR C SHARES

Conditional on: (i) in the case of the Initial Placing, Initial Admission occurring by 8.00 a.m. on 27 November 2015 (or such later date as the Company and Numis may agree in writing, being not later than 8.00 a.m. on 4 December 2015) and in the case of a Placing under the Placing Programme, Admission of the relevant New Shares issued under that Placing occurring not later than 8.00 a.m. on such date as may be agreed between the Company and Numis prior to the closing of the relevant Placing, not being later than 25 October 2016; (ii) the Sponsor and Placing Agreement becoming otherwise unconditional in all respects and not having been terminated on or before the date of the relevant Admission (save as regards the Initial Placing for any condition relating only to the Placing Programme); and (iii) Numis confirming to the Placees their allocation of New Shares, a Placee agrees to become a member of the Company and agrees to subscribe for those New Shares allocated to it by Numis (in consultation with the Company) at the Initial Issue Price in the case of the Initial Placing and at the applicable Placing Programme Price in the case of a Placing under the Placing Programme. 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.

Applications under a Placing must be for a minimum subscription amount of £50,000 (or such lesser amount as Numis may agree).

3. PAYMENT FOR NEW SHARES

Each Placee undertakes to pay the applicable Issue Price for the New Shares issued to the Placee in the manner and by the time directed by Numis. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee shall be deemed hereby to have appointed Numis or any nominee of Numis as its agent to use its reasonable endeavours to sell (in one or more transactions) any or all of the New Shares allocated to the Placee in respect of which payment shall not have been made as directed, and to indemnify Numis and its respective affiliates on demand in respect of any liability for stamp duty and/or stamp duty reserve tax or any other liability whatsoever arising in respect of any such sale or sales.

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

4. REPRESENTATIONS AND WARRANTIES

By agreeing to subscribe for New Shares, each Placee which enters into a commitment to subscribe for such New Shares will (for itself and for any person(s) procured by it to subscribe for New Shares and any nominee(s) for any such person(s)) be deemed to undertake, represent and warrant to each of the Company, the Investment Adviser, the Registrar and Numis that:

(a) in agreeing to subscribe for New Shares under the Initial Placing or the Placing Programme, it is relying solely on this document and any supplementary prospectus published by the Company prior to Admission of such New Shares and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the New Shares, the Initial Placing or the Placing Programme. It agrees that none of the Company, the Investment Adviser, Numis or the Registrar, nor any of their respective officers, agents, employees or affiliates, 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 New Shares under the Initial Placing or the Placing Programme, 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 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, Numis or the Registrar or any of their respective officers, agents, employees or affiliates being 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 Placing Programme or its acceptance of a participation in the Initial Placing or the Placing Programme;

(c) it has carefully read and understands this document in its entirety and acknowledges that it is acquiring New Shares on the terms and subject to the conditions set out in this Appendix 1 and the Articles as in force at the relevant date of Admission of the relevant New Shares;

(d) it has not relied on Numis or any person affiliated with Numis in connection with any investigation of the accuracy of any information contained in this document;

(e) the content of this document is exclusively the responsibility of the Company and its Directors and neither Numis nor any person acting on its behalf nor any of its affiliates are responsible for or shall have any liability for any information, representation or statement contained in this document 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 Placing under the Placing Programme based on any information, representation or statement contained in this document or otherwise;

(f) it acknowledges that no person is authorised in connection with the Initial Placing or the Placing Programme to give any information or make any representation other than as contained in this document and any supplementary prospectus published by the Company prior to Admission of the relevant New Shares and, if given or made, any information or representation must not be relied upon as having been authorised by Numis, the Company or the Investment Adviser;

(g) it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;

(h) it accepts that none of the New Shares have been or will be registered in any jurisdiction other than the United Kingdom and that the New Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Excluded Territory, unless otherwise agreed in writing by the Company;

(i) if it is applying for the New Shares in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the New Shares may be lawfully offered under that other jurisdiction's laws or regulations;

(j) if it is within the United Kingdom, it is a person who falls within Articles 49 or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or is a person to

whom the New Shares may otherwise lawfully be offered under such Order, 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, that it is a person to whom the New Shares may be lawfully offered under that other jurisdiction's laws and regulations;

(k) if it is a resident in the EEA (other than the United Kingdom): (a) it is a qualified investor within the meaning of the law in the relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Prospectus Directive; and (b) if that relevant Member State has implemented the AIFM Directive, that it is a person to whom the New Shares may lawfully be marketed under the AIFM Directive or under the applicable implementing legislation (if any) of that relevant Member State;

(l) in the case of any New Shares acquired by an investor as a financial intermediary within the meaning of the law in the relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Prospectus Directive: (i) the New Shares acquired by it in the Initial Placing or the Placing Programme have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of Numis has been given to the offer or resale; or (ii) where New Shares have been acquired by it on behalf of persons in any relevant Member State other than qualified investors, the offer of those New Shares to it is not treated under the Prospectus Directive as having been made to such persons;

(m) if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Initial Placing 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 New Shares pursuant to the Initial Placing or the Placing Programme 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 New 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;

(n) 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 New Shares and it is not acting on a non-discretionary basis for any such person;

(o) 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 New Shares under the Initial Placing or the Placing Programme and will not be any such person on the date any such agreement to subscribe under the Initial Placing or the Placing Programme is accepted;

(p) it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other offering materials concerning the Initial Placing, the Placing Programme or the New Shares to any persons within the United States or to any US Persons, nor will it do any of the foregoing;

(q) it acknowledges that neither Numis 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 the Placing Programme or providing any advice in relation to the Initial Placing or the Placing Programme and participation in the Initial Placing or the Placing Programme is on the basis that it is not and will not be a client of Numis and that Numis does not have any duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Initial Placing or the Placing Programme 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 the Placing Programme;

(r) that, save in the event of fraud on the part of Numis, none of Numis, its ultimate holding companies nor any direct or indirect subsidiary undertakings of such holding companies, nor any of their respective directors, members, partners, officers and employees shall be responsible or liable to a Placee or any of its clients for any matter arising out of Numis' role as sponsor, broker and financial adviser or otherwise in connection with the Initial Placing or the Placing Programme and that where any such responsibility or liability nevertheless arises as a matter of law the Placee and, if relevant, its clients, will immediately waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;

(s) it acknowledges that where it is subscribing for New Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for such New Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this document; and (iii) to receive on behalf of each such account any documentation relating to the Initial Placing or the Placing Programme in the form provided by the Company and/or Numis. It agrees that the provision of this paragraph shall survive any resale of the New Shares by or on behalf of any such account;

(t) it irrevocably appoints any Director of the Company and any director of Numis 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 New Shares for which it has given a commitment under the Initial Placing or the Placing Programme, in the event of its own failure to do so;

(u) it accepts that if the Initial Placing or the Placing Programme does not proceed or the relevant conditions to the Sponsor and Placing Agreement are not satisfied or the New Shares for which valid applications are received and accepted are not admitted to listing on the Official List and to trading on the London Stock Exchange's main market for listed securities for any reason whatsoever then none of Numis or the Company, 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;

(v) in connection with its participation in the Initial Placing or any Placing under the Placing Programme it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering (**Money Laundering Legislation**) and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations 2007 in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2005/60/EC 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); or (iii) subject to the Guernsey AML Requirements; or (iv) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;

(w) it acknowledges that due to anti-money laundering requirements, Numis and 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, Numis and the Company may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will indemnify Numis and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been requested has not been provided by it in a timely manner;

(x) it acknowledges that any person in Guernsey involved in the business of the Company who has a suspicion or belief that any other person (including the Company or any person subscribing for New Shares) is involved in money laundering activities, is under an obligation

to report such suspicion to the Financial Intelligence Service pursuant to the Terrorism and Crime (Bailiwick of Guernsey) Law, 2002 (as amended);

(y) that 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;

(z) it acknowledges and agrees that information provided by it to the Company, Registrar or Administrator will be stored on the Registrar's and the Administrator's computer system and manually. It acknowledges and agrees that for the purposes of the Data Protection (Bailiwick of Guernsey) Law 2001 (the **Data Protection Law**) and other relevant data protection legislation which may be applicable, the Registrar and the Administrator are required to specify the purposes for which they will hold personal data. The Registrar and the Administrator will only use such information for the purposes set out below (collectively, the **Purposes**), being to:

(i) process its personal data (including sensitive personal data) as required by or in connection with its holding of New Shares, including processing personal data in connection with credit and money laundering checks on it;

(ii) communicate with it as necessary in connection with its affairs and generally in connection with its holding of New Shares;

(iii) provide personal data to such third parties as the Administrator or Registrar may consider necessary in connection with its affairs and generally in connection with its holding of New Shares or as the Data Protection Law may require, including to third parties outside the Bailiwick of Guernsey or the EEA;

(iv) without limitation, provide such personal data to the Company, Numis or the Investment Adviser and their respective associates for processing, notwithstanding that any such party may be outside the Bailiwick of Guernsey or the EEA; and

(v) process its personal data for the Administrator's internal administration.

(aa) in providing the Registrar and the Administrator with information, it hereby represents and warrants to the Registrar and the Administrator that it has obtained the consent of any data subjects to the Registrar and the Administrator and their respective associates holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the purpose set out in paragraph (z) above). For the purposes of this document, **data subject**, **personal data** and **sensitive personal data** shall have the meanings attributed to them in the Data Protection Law;

(bb) Numis and the Company are entitled to exercise any of their rights under the Sponsor and Placing Agreement or any other right in their absolute discretion without any liability whatsoever to it;

(cc) the representations, undertakings and warranties contained in this document are irrevocable. It acknowledges that Numis 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 New Shares are no longer accurate, it shall promptly notify Numis and the Company;

(dd) where it or any person acting on behalf of it is dealing with Numis, any money held in an account with Numis 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 Financial Conduct Authority which therefore will not require Numis to segregate such money, as that money will be held by Numis under a banking relationship and not as trustee;

(ee) any of its clients, whether or not identified to Numis, will remain its sole responsibility and will not become clients of Numis for the purposes of the rules of the Financial Conduct Authority or for the purposes of any other statutory or regulatory provision;

(ff) it accepts that the allocation of New Shares under the Initial Placing or any Placing under the Placing Programme shall be determined by Numis and the Company in their absolute

discretion and that such persons may scale down any Placing commitments for this purpose on such basis as they may determine;

(gg) time shall be of the essence as regards its obligations to settle payment for the New Shares and to comply with its other obligations under the Initial Placing or the Placing Programme; and

(hh) authorises Numis to deduct from the total amount subscribed under the Initial Placing or the Placing Programme, as applicable, the aggregate commission (if any) (calculated at the rate agreed with the Company) payable on the number of New Shares allocated under the Initial Placing or the Placing Programme.

5. UNITED STATES PURCHASE AND TRANSFER RESTRICTIONS

Unless otherwise agreed in writing by the Company, by agreeing to subscribe for New Shares under the Initial Placing or any Placing under the Placing Programme, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for New Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the Investment Adviser and Numis that:

(a) it is not a US Person and is not acquiring the New Shares for the account or benefit of a US Person;

(b) it is acquiring the New Shares in an offshore transaction meeting the requirements of Regulation S;

(c) it is aware and acknowledges that the New Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and 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, or in a transaction not subject to, registration under the Securities Act;

(d) it is aware and acknowledges that the Company has not been and will not be registered under the 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 Investment Company Act;

(e) 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 Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the Internal Revenue Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the Internal Revenue Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I 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 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;

(f) 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 Securities Act and under circumstances which will not require the Company to register under the Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;

(g) 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 Securities Act, the Investment Company Act or any other applicable securities laws;

(h) it is aware and 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 holding 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;

(i) it is aware and acknowledges and understands the Company is required to comply with FATCA and that the Company will follow FATCA's extensive reporting and withholding requirements. The Placee agrees to furnish any information and documents which the Company may from time to time request, including but not limited to information required under FATCA;

(j) 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, Numis or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Initial Placing or the Placing Programme or its acceptance of participation in the Initial Placing or the Placing Programme;

(k) 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

(l) if it is acquiring any New Shares as a fiduciary or agent for one or more accounts, the Placee 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.

6. SUPPLY AND DISCLOSURE OF INFORMATION

If Numis, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for New Shares under the Initial Placing or the Placing Programme or to comply with any relevant legislation, such Placee must promptly disclose it to them.

7. MISCELLANEOUS

The rights and remedies of Numis, the Registrar, the Investment Adviser and the Company 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.

On application, if a Placee is an individual, that Placee may be asked to disclose in writing or orally, his nationality. 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 the Placing Programme will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

Each Placee agrees to be bound by the Articles once the New Shares, which the Placee has agreed to subscribe for pursuant to the Initial Placing or a Placing under the Placing Programme, have been acquired by the Placee. The contract to subscribe for New Shares under the Initial Placing or the Placing Programme and the appointments and authorities mentioned in this document will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Numis, the Company, the Investment Adviser 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 Placee in any other jurisdiction.

In the case of a joint agreement to subscribe for New Shares under the Initial Placing or a Placing under the Placing Programme, 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.

Numis and the Company expressly reserve the right to modify the Initial Placing and/or any Placing under the Placing Programme (including, without limitation, its timetable and settlement) at any time before allocations are determined.

The Initial Placing and each Placing under the Placing Programme is subject to the satisfaction of the conditions contained in the Sponsor and Placing Agreement and the Sponsor and Placing Agreement not having been terminated. Further details of the terms of the Sponsor and Placing Agreement are contained in paragraph 5(e) of Part XII of this document.

APPENDIX 2

TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION

1. INTRODUCTION

If you apply for New 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.

2. OFFER TO ACQUIRE NEW ORDINARY SHARES

Your application must be made on the Application Form attached at the end of this document 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 New Ordinary Shares at 102 pence per New Ordinary Share as may be purchased by the subscription amount specified in Box 1 on your Application Form (being a minimum of £1,000) or any smaller number for which such application is accepted at the Initial Issue Price per Ordinary Share on the terms, and subject to the conditions, set out in this document, including these Terms and Conditions of Application and the Articles;

(b) agree that, in consideration of the Company agreeing that it will not, prior to the date of Initial Admission, offer for subscription any New Ordinary Shares to any person other than by means of the procedures referred to in this document, your application may not be revoked and that this paragraph shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to, or in the case of delivery by hand, on receipt by the Receiving Agent of, your Application Form;

(c) 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 New Ordinary Shares applied for in certificated form or be entitled to commence dealing in the New Ordinary Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such New Ordinary Shares unless and until you make payment in cleared funds for such New Ordinary Shares and such payment is accepted by the Receiving Agent (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Receiving Agent and the Company 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 New 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);

(d) agree that where on your Application Form a request is made for New Ordinary Shares to be deposited into a CREST Account: (i) the Receiving Agent may in its absolute discretion amend the form so that such New Ordinary Shares may be issued in certificated form registered in the name(s) of the holders 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); and (ii) the Receiving Agent or the Company may authorise your financial adviser or whoever he or she may direct to send a document of title for or credit your CREST account in respect of the number of New Ordinary Shares for which your application is accepted, and/or a crossed cheque for any monies returnable, by post at your risk to your address set out on your Application Form;

(e) agree, in respect of applications for New Ordinary Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 2(d) above to issue New 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 2(d) 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 6 below or any other suspected breach of these Terms and Conditions of Application; or

(iii) pending any verification of identity which is, or which the Receiving Agent considers may be, required for the purpose of The Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999 (as amended), and the regulations made thereunder, and the GFSC's Handbook for Financial Services Businesses on Countering Financial Crime and Terrorist Financing (as amended, supplemented and/or replaced from time to time) (the **Guernsey AML Requirements**); and

(iv) any interest accruing on such retained monies shall accrue to and for the benefit of the Company;

(f) 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;

(g) 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 Company) following a request therefor, the Company or the Receiving Agent may terminate the agreement with you to allot New Ordinary Shares and, in such case, the New Ordinary Shares which would otherwise have been allotted to you may be reallotted 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 to the bank account on which the payment accompanying the application was first drawn without interest and at your risk;

(h) agree that you are not applying on behalf of a person engaged in money laundering, drug trafficking or terrorism;

(i) 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;

(j) undertake to pay interest at the rate described in paragraph 3(c) below if the remittance accompanying your Application Form is not honoured on first presentation;

(k) authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of New Ordinary Shares for which your application is accepted or if you have completed Box 7 on your Application Form, but subject to paragraph 2(d) above, to deliver the number of New Ordinary Shares for which your application is accepted into CREST, and/or to return any monies returnable by cheque in your favour without interest and at your risk;

(l) confirm that you have read and complied with paragraph 8 of this Appendix 2;

(m) agree that all subscription cheques and payments will be processed through a bank account (the **Acceptance Account**) in the name of "Capita Registrars re: BSIF OFS A/C" opened with the Receiving Agent;

(n) acknowledge and agree that information provided by you to the Company, Receiving Agent, Registrar or Administrator will be stored on the Registrar's and the Administrator's computer

system and manually. You acknowledge and agree that for the purposes of the Data Protection (Bailiwick of Guernsey) Law 2001 (the **Data Protection Law**) and other relevant data protection legislation which may be applicable, the Registrar and the Administrator are required to specify the purposes for which they will hold personal data. The Registrar and the Administrator will only use such information for the purposes set out below (collectively, the **Purposes**), being to:

(i) process your personal data (including sensitive personal data) as required by or in connection with your holding of New Ordinary Shares, including processing personal data in connection with credit and money laundering checks on you;

(ii) communicate with you as necessary in connection with your affairs and generally in connection with your holding of New Ordinary Shares;

(iii) provide personal data to such third parties as the Administrator or Registrar may consider necessary in connection with your affairs and generally in connection with your holding of New Ordinary Shares or as the Data Protection Law may require, including to third parties outside the Bailiwick of Guernsey or the EEA;

(iv) without limitation, provide such personal data to the Company, Numis or the Investment Adviser and their respective associates for processing, notwithstanding that any such party may be outside the Bailiwick of Guernsey or the EEA; and

(v) process your personal data for the Administrator's internal administration; and

(o) agree that your Application Form is addressed to the Company and the Receiving Agent.

Any application may be rejected in whole or in part at the sole discretion of the Company.

3. ACCEPTANCE OF YOUR OFFER

(a) 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) by notifying acceptance to the Receiving Agent.

(b) The basis of allocation will be determined by Numis in consultation with the Company. The right is reserved notwithstanding the basis as so determined to reject in whole or in part and/or scale back any application. The right is reserved to treat as valid any application not complying fully with these Terms and Conditions of Application 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 Application. The Company and Receiving Agent reserves 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 Application.

(c) 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' payment. The Receiving Agent may, as agent of the Company, require you to pay interest or its other resulting costs (or both) if the payment accompanying your application is not honoured on first presentation. If you are required to pay interest you will be obliged to pay the amount determined by the Receiving Agent, to be the interest on the amount of the payment from the date on which all payments in cleared funds are due to be received until the date of receipt of cleared funds. The rate of interest will be the then published bank base rate of a clearing bank selected by the Receiving Agent plus 2 per cent. per annum. The right is also reserved to reject in whole or in part, or to scale down or limit, any application.

(d) The Company reserves the right in its absolute discretion (but shall not be obliged) to accept applications for less than the minimum subscription of £1,000.

4. CONDITIONS

(a) The contracts created by the acceptance of applications (in whole or in part) under the Offer will be conditional upon:

(i) Initial Admission occurring by 8.00 a.m. on 4 December 2015 (or such later date as the Company and Numis may agree in writing, being not later than 8.00 a.m. on 31 December 2015); and

(ii) the Sponsor and Placing Agreement becoming otherwise unconditional in all respects (save for any condition relating only to the Placing Programme) and not having been terminated on or before Initial Admission.

(b) 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 right you may have.

5. 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 by returning your cheque, or by crossed cheque in your favour, by post at the risk of the person(s) entitled thereto. In the meantime, application monies will be retained by the Receiving Agent in a separate account.

6 WARRANTIES

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 Application and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;

(b) warrant that you are a resident of, and are located for the purposes of the Offer in the United Kingdom and no other jurisdiction;

(c) warrant, if the laws of any territory or jurisdiction outside 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, Numis or the Receiving Agent, or any of their respective officers, agents, employees or affiliates, acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside Guernsey or the United Kingdom in connection with the Offer in respect of your application;

(d) confirm that in making an application you are not relying on any information or representations in relation to the Company other than those contained in this document and any supplementary prospectus published by the Company 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 document, any supplementary prospectus or any part thereof shall have any liability for any such other information or representation;

(e) agree that, having had the opportunity to read this document, you shall be deemed to have had notice of all information and representations contained therein;

(f) 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 document and any supplementary

prospectus published by the Company 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, Numis or the Receiving Agent;

(g) warrant that you are not under the age of 18 on the date of your application;

(h) 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 holders, the address of the first-named holder) as set out in your Application Form;

(i) confirm that you have reviewed the restrictions contained in paragraph 8 of this Appendix 2 below and warrant, to the extent relevant, that you (and any person on whose behalf you apply) comply or have complied with the provisions therein;

(j) agree that, in respect of those New 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 of members of the Company;

(k) agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer (including any non-contractual obligations arising under or in connection therewith) shall be governed by and construed in accordance with English Law 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;

(l) irrevocably authorise the Company, or the Receiving Agent or any other person authorised by any of them, as your agent, to do all things necessary to effect registration of any New Ordinary Shares subscribed by or issued to you into your name and authorise any representatives of the Company and/or the Receiving Agent to execute any documents required therefor and to enter your name on the register of members of the Company;

(m) 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 the Guernsey AML Requirements;

(n) agree that the Receiving Agent is acting for the Company in connection with the Offer and for no-one else and that it will not treat you as its customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of the New Ordinary Shares or concerning the suitability of the New Ordinary Shares for you or be responsible to you for providing the protections afforded to its customers;

(o) unless otherwise agreed in writing with the Company, no portion of the assets used to purchase, and no portion of the assets used to hold, the New 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 Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the Internal Revenue Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the Internal Revenue Code; or (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I 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 provisions of Title I of ERISA or Section 4975 of the Internal Revenue Code, its purchase, holding, and disposition of the New Ordinary Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

(p) warrant that you are not subscribing for the New Ordinary Shares using a loan which would not have been given to you or any associate or not given to you on such favourable terms, if you had not been proposing to subscribe for the New Ordinary Shares;

(q) warrant that the information contained in your Application Form is true and accurate; and

(r) agree that if you request that New Ordinary Shares are issued to you on a date other than Initial Admission and such New Ordinary Shares are not issued on such date that the Company and its agents and Directors will have no liability to you arising from the issue of such New Ordinary Shares on a different date.

7. MONEY LAUNDERING

(a) You agree that, in order to ensure compliance with the UK Money Laundering Regulations 2007 (where applicable) and the Guernsey AML Requirements, the Receiving Agent or the Administrator may respectively at their absolute discretion require verification of identity from any person lodging an Application Form.

(b) 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.

(c) Except as provided in paragraph 7(d) below, payments must be made by cheque or banker's draft 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 "Capita Registrars re: BSIF OFS A/C" and crossed "A/C payee". Third party cheques will 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 by following the instructions in paragraph 7(h) below.

(d) For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 30 November 2015 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: Royal Bank of Scotland

Sort Code: 15-10-00

A/C No: 32317394

A/C Name: Capita Registrars Ltd re: BISF OFS A/C

(e) The Receiving Agent cannot take responsibility for identifying payments without a unique reference nor where a payment has been received but without an accompanying Application Form

(f) 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.

(g) Failure to provide the necessary evidence of identity may result in application(s) being rejected or delays in the dispatch of documents.

(h) 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. The name on the bank account must be the same as that stated on the Application Form.

(i) You should endeavour to have the certificate contained in Box 8 of the Application Form signed by an appropriate firm as described in that Box.

8. OVERSEAS INVESTORS

The attention of investors who are not resident in, or who are not citizens of the United Kingdom is drawn to paragraphs 8(a) to 8(e) below:

(a) The offer of New Ordinary Shares under the Offer is only being made in the UK. Persons who are resident in, or citizens of, countries other than the United Kingdom (**Overseas Investors**) who wish to subscribe for New Ordinary Shares under the Offer 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 New Ordinary Shares under the Offer. It is the responsibility of all Overseas Investors receiving this document and/or wishing to subscribe for the New 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 requiring to be observed and paying any issue, transfer or other taxes due in such territory.

(b) No person receiving a copy of this document 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.

(c) None of the New Ordinary Shares have been or will be registered under the laws of Australia, Canada, Japan or the Republic of South Africa or other political subdivision of Australia, Canada, Japan, or the Republic of South Africa. Accordingly, unless an exemption under such Act or laws is applicable, the New Ordinary 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 New Ordinary 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 or Canada (or any political subdivision of any of them), Japan or the Republic of South Africa and that you are not subscribing for such New Ordinary 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 New Ordinary 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. 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.

(d) Persons (including, without limitation, custodians, nominees and trustees) receiving this document should not distribute or send it to any US person or in or into the United States, Australia, Canada, Japan or the Republic of South Africa or their respective territories of possessions or any other jurisdictions where to do so would or might contravene local securities laws or regulations.

(e) The Company reserves the right to treat as invalid any agreement to subscribe for New 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. THE DATA PROTECTION (BAILIWICK OF GUERNSEY) LAW 2001

(a) Pursuant to The Data Protection (Bailiwick of Guernsey) Law 2001, (the **DP Law**) the Company and/or the Registrar may hold personal data (as defined in the DP Law) relating to past and present Shareholders.

(b) Such personal data held is used by the Registrar to maintain a register of the Shareholders and mailing lists and this may include sharing such data with third parties in one or more of the countries mentioned below when: (a) effecting the payment of dividends to Shareholders (in each case, where applicable) and, if applicable, the payment of commissions to third parties; and (b) filing returns of Shareholders and their respective transactions in shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used.

(c) The countries referred to above include, but need not be limited to, those in the EEA or the EU and any of their respective dependent territories overseas, Argentina, Australia, Brazil, Canada, Hong Kong, Hungary, Japan, New Zealand, Singapore, South Africa, Switzerland and the United States.

(d) By becoming registered as a holder of New Ordinary Shares in the Company a person becomes a data subject (as defined in the DP Law) and is deemed to have consented to the processing by the Company or its Registrar of any personal data relating to them in the manner described above.

10. MISCELLANEOUS

(a) To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the New Ordinary Shares and the Offer.

(b) The rights and remedies of the Company and the Receiving Agent under these Terms and Conditions of Application 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.

(c) The Company reserves the right to shorten or extend the closing time of the Offer from 11.00 a.m. on 30 November 2015 (provided that if the closing time is extended this document 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.

(d) 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 as indicated without interest.

(e) The dates and times referred to in these Terms and Conditions of Application may be altered by the Company so as to be consistent with the Sponsor and Placing Agreement (as the same may be altered from time to time in accordance with its terms).

(f) Save where the context requires otherwise, terms used in these Terms and Conditions of Application bear the same meaning as use elsewhere in this document.

APPLICATION FORM

Bluefield Solar Income Fund Limited

Application Form for the Offer for Subscription

If you wish to apply for New Ordinary Shares, please complete, sign and return this Application Form, by post or (during normal business hours only) by hand to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received by no later than 11.00 a.m. on 23 November 2015.

IMPORTANT: Before completing this Application Form, you should read the notes set out under the section entitled "Notes on how to complete the Application Form" at the back of this Application Form. All applicants must complete Boxes 1 to 3. Joint applicants should also complete Box 4.

If you have a query concerning completion of this Application Form, please call Capita Asset Services on 0371 664 0321 or if calling from outside the UK on +44 (0) 208 639 3399. 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. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

To: The Directors,

Bluefield Solar Income Fund Limited (the **Company**)

1. Application

I/We offer to subscribe for such number of New Ordinary Shares at the Initial Issue Price of 102 pence per New Ordinary Share as may be purchased by the subscription amount set out in the box immediately below (the minimum being £1,000 and thereafter multiples of £100), fully paid subject to the Terms and Conditions of Application under the Offer set out in Appendix 2 to the prospectus published by the Company dated 26 October 2015 and subject to the Memorandum and Articles.

Subscription Amount	

2. Personal Details (please use block capitals)

Mr, Mrs, Ms or Title: Forenames (in full):
Surname:
Address (in full):
Postcode:

3. Signature

Dated:	Signature:

4. Joint Applicants (please use block capitals)

1.	Mr, Mrs, Ms or Title:	
	Forenames (in full):	
	Surname:	
	Signature:	
2.	Mr, Mrs, Ms or Title:	
	Forenames (in full):	
	Surname:	
	Signature:	
3.	Mr, Mrs, Ms or Title:	
	Forenames (in full):	
	Surname:	
	Signature:	

5. CREST details (only complete this section if you wish to register your application directly into your CREST Account which should be in the same name(s) as the applicants in Boxes 2 and 4 above)

CREST Participant ID:	

CREST Member Account ID:	

6. Settlement

(a) ***Cheque/Banker's Draft***

If you are subscribing for New 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 made payable to Capita Registrars re: "BSIF OFS A/C". Cheques and bankers payments must be drawn in Sterling on an account at a bank branch in the UK and must bear a UK bank sort code number in the top right hand corner.

(b) ***Electronic Bank Transfer***

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 30 November 2015. Please see section 7(d) on page 153 of the Prospectus for further information.

(c) ***CREST Settlement***

If you so choose to settle your application within CREST, that is DVP, you or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of New Ordinary Shares to be made against payment of the Initial Issue Price per New Ordinary Share via a Many to Many (MTM) message

Applicants will still need to complete and submit a valid Application Form to be received by no later than 11.00 a.m. on 30 November 2015.

If you require a share certificate you should not use this facility.

Following share allocations being determined, applicants will receive a credit of the Interim Stock Line to their appropriate CREST account(s), as stated on the Application Form, representing the number of New Ordinary Shares which have been successfully allocated to them. This credit will appear as a registrar adjustment message (REG) from CREST Participant R017A.

The Interim Stock Line is expected to be enabled for settlement as soon as practicable after 8.00 a.m. on 2 December 2015.

Once received, applicants must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an MTM Instruction to Euroclear that, on its settlement, will have the following effect:

(a) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with the number of Interim Stock Line shares to be taken up;

(b) the creation of a settlement bank payment obligation, in favour of the Receiving Agent in Sterling in respect of the full amount payable on acceptance in respect of the Interim Stock Line shares;

(c) the crediting of the New Ordinary Shares to the stock account of the accepting CREST member from which the Interim Stock Line shares are to be debited on settlement of the MTM Instruction.

Valid Acceptance

MTM Instructions can be input from 12.00 p.m. on 2 December 2015 and, in any event, must be input and available for settlement by no later than 12.00 p.m. on 4 December 2015 (or such later date that is determined by the Company).

The right is reserved to issue and/or transfer your New Ordinary Shares in certificated form (that is, not in CREST) should the Company consider this to be necessary or desirable. This right is only likely to be exercised in normal circumstances 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 the Company's registrars in connection with CREST.

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST settlement criteria set out below:

Trade Date:	2 December 2015
Settlement Date:	4 December 2015
Company:	Bluefield Solar Income Fund Limited
Security Description:	New Ordinary Shares
ISIN code:	GG00BYNJX571
CREST Instruction Type:	MTM (MANY TO MANY)

Contents of MTM Instructions

The MTM Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

(a) the number of Interim Stock Line Shares to which the allocation relates; this being the total number of shares allocated to you by the Receiving Agent on 4 December 2015 via the REG message;

(b) the participant ID of the applicable CREST member;

(c) the member account ID of the applicable CREST member from which the Interim Stock Line Shares are to be debited;

(d) the participant ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 9RA01;

(e) the member account ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 28682BSF;

(f) the number of New Ordinary Shares that the CREST member is expecting to receive on settlement of the MTM Instruction. This must be the same as the number of Interim Stock Line Shares to which the application relates;

(g) the amount payable by means of the CREST assured payment arrangements on settlement of the MTM Instruction. This must be the full amount payable on application in respect of the number of Interim Stock Line Shares;

(h) the intended settlement date. This must be by 8.00 a.m. on 4 December 2015;

(i) the Interim Stock Line Shares ISIN, which is GG00BYNJX571;

(j) the New Ordinary Shares ISIN, which is GG00BB0RDB98;

(k) the Corporate Action Number for the Offer for Subscription. This will be available by viewing the relevant corporate action details in CREST;

(l) a contact name and telephone number in the shared note field; and

(m) priority of at least 80.

Should you have any queries about CREST please contact Euroclear UK & Ireland Limited on 08459 645 648.

7. Identity Information

In accordance with internationally recognised standards for the prevention of money laundering the under mentioned documents and information must be provided.

7.1 For each holder being an individual enclose:

7.1.1 a certified clear photocopy of one of the following identification documents which bear both a photograph and the signature of the person: current passport – Government or Armed Forces identity card – driving licence; and

7.1.2 certified copies of at least two of the following documents which purport to confirm that the address given in section 2 is that person's residential address: a recent gas, electricity, water or telephone (not mobile) bill, a recent bank statement, council rates bill or similar document issued by a recognised authority; and

7.1.3 if none of the above documents show their date and place of birth, enclose a note of such information; and

7.1.4 details of the name and address of their personal bankers from which Receiving Agent may request a reference, if necessary.

7.2 For each holder being a company (a **holder company**) enclose:

7.2.1 a certified copy of the certificate of incorporation of the holder company; and

7.2.2 the name and address of the holder company's principal bankers from which the Receiving Agent may request a reference, if necessary; and

7.2.3 a statement as to the nature of the holder company's business, signed by a director; and

7.2.4 a list of the names and residential addresses of each director of the holder company; and

7.2.5 for each director provide documents and information similar to that mentioned in 7.1.1 to 7.1.4 above; and

7.2.6 a copy of the authorised signatory list for the holder company; and

7.2.7 a list of the names and residential/registered address of each ultimate beneficial owner interested in more than 5 per cent. of the issued share capital of the holder company and, where a person is named, also complete 7.3 below and, if another company is named (hereinafter a **beneficiary company**), also complete 7.4 below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via

nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.

7.3 For each person named in 7.2.7 as a beneficial owner of a holder company enclose for each such person documents and information similar to that mentioned in 7.1.1 to 7.1.4.

7.4 For each beneficiary company named in 7.2.7 as a beneficial owner of a holder company enclose:

7.4.1 a certified copy of the certificate of incorporation of that beneficiary company; and

7.4.2 a statement as to the nature of that beneficiary company's business signed by a director; and

7.4.3 the name and address of that beneficiary company's principal bankers from which the Receiving Agent may request a reference, if necessary; and

7.4.4 enclose a list of the names and residential/ registered address of each beneficial owner owning more than 5 per cent. of the issued share capital of that beneficiary company.

7.5 If the payor is not a holder and is not a bank providing its own cheque or banker's payment on the reverse of which is shown details of the account being debited with such payment (see note 5 on how to complete this form) enclose:

7.5.1 if the payor is a person, for that person the documents mentioned in 7.1.1 to 7.1.4; or

7.5.2 if the payor is a company, for that company the documents mentioned in 7.2.1 to 7.2.7; and

7.5.3 an explanation of the relationship between the payor and the holder(s).

The Company and/or the Receiving Agent reserve the right to ask for additional documents and information.

8. Reliable Introducer Certificate

Completion and signing of this certificate by a suitable person or institution may avoid presentation being requested of the identity documents. The certificate below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the **firm**) which is itself subject in its own country of operation to "know your customer" and anti-money laundering regulations no less stringent than those which prevail in the United Kingdom. Acceptable countries include Austria, Belgium, Canada, Denmark, Finland, France, Germany, Gibraltar, Greece, Guernsey, Hong Kong, Iceland, Ireland, Isle of Man, Italy, Japan, Jersey, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Singapore, South Africa, Spain, Sweden, Switzerland, the United Kingdom and the United States.

CERTIFICATE: To the Company and the Receiving Agent

By completing and stamping Box 8 below you are deemed to have given the warranties and undertakings set out in paragraph 6 of the accompanying Terms and Conditions of Application under the Offer.

IFA STAMP

Name of Firm	
FCA Number	
Signature	
Print Name	
Position	
Date	
Telephone No	

9. Contact Details

To ensure the efficient and timely processing of this Application Form please enter below the contact details of a person that the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in Box 3 on behalf of the first named holder. If no details are entered here and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:	Telephone no:
	Fax no:
Contact address:	Email address:

Signature of Applicant

Signed ..... Date 2015

Authorised Signatory

NOTES ON HOW TO COMPLETE THE APPLICATION FORM

Applications should be returned so as to be received no later than 11.00 a.m. on 30 November 2015.

If you have a query concerning completion of this Application Form, please call Capita Asset Services on 0371 664 0321 or if calling from outside the UK on +44 (0) 208 639 3399. 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. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

1. Application

Fill in Box 1 with the amount of money being subscribed for New Ordinary Shares. The amount being subscribed must be for a minimum of £1,000. Financial intermediaries who are investing on behalf of clients should make separate applications or, if making a single application for more than one client, provide details of all clients in respect of whom the application is made in order to benefit most favourably from the scaling back process should this be required.

2. Personal Details

Fill in (in block capitals) the full name(s) and address of the sole first applicant. 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. A maximum of four joint holders is permitted. All holders named must sign the Application Form in Boxes 3 and 4 (where applicable).

3. Signature

All holders named in Boxes 2 and 4 (where applicable) must sign Boxes 3 and 4 (where applicable) 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

(a) ***Cheque/Banker's draft***

All payments by cheque or banker's draft must accompany your Application Form and be for the exact amount inserted in Box 1 of your Application Form. Applications accompanied by a post-dated cheque will not be accepted. Your payment must relate solely to the application made in the Application Form. No receipt will be issued. Your cheque or banker's draft must be made payable to Capita Registrars re "BISF OFS A/C" in respect of an application and crossed "A/C Payee Only". The cheque or banker's draft must be drawn in Sterling on an account at a bank branch in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and bankers' drafts to be cleared through the facilities provided by any of those companies or committees, and must bear a United Kingdom bank sort code number in the top right hand corner. If you use a banker's draft or a building society cheque you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the banker's draft or cheque and adds its stamp. Cheques should be drawn on the personal account to which you have sole or joint title to the funds. Third party cheques will not be accepted with the exception of building society cheques or bankers' drafts where the bank or building society has confirmed the name of the account holder by stamping and endorsing the cheque to such effect.

(b) ***Electronic Bank Transfer***

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 30 November 2015. Please see section 7(d) on page 152 of the Prospectus for further information.

(c) ***CREST Settlement***

Following share allocations being determined, applicants will receive a credit of the Interim Stock Line to their appropriate CREST account(s), as stated on the Application Form, representing the number of New Ordinary Shares which have been successfully allocated to them. This credit will appear as a registrar adjustment message (REG) from CREST Participant R017A.

The Interim Stock Line is expected to be enabled for settlement as soon as practicable after 8.00 a.m. on 2 December 2015.

Once received, applicants must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) an MTM Instruction to Euroclear that, on its settlement, will have the following effect:

(a) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with the number of Interim Stock Line shares to be taken up;

(b) the creation of a settlement bank payment obligation, in favour of the Receiving Agent in Sterling in respect of the full amount payable on acceptance in respect of the Interim Stock Line shares;

(c) the crediting of the New Ordinary Shares to the stock account of the accepting CREST member from which the Interim Stock Line shares are to be debited on settlement of the MTM Instruction.

Valid Acceptance

MTM Instructions can be input from 12.00 p.m. on 2 December 2015 and, in any event, must be input and available for settlement by no later than 12.00 p.m. on 4 December 2015 (or such later date that is determined by the Company).

The right is reserved to issue and/or transfer your New Ordinary Shares in certificated form (that is, not in CREST) should the Company consider this to be necessary or desirable. This right is only likely to be exercised in normal circumstances 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 the Company's registrars in connection with CREST.

To ensure that you fulfil this requirement it is essential that you or your settlement agent/custodian follow the CREST settlement criteria set out below:

Trade Date:	2 December 2015
Settlement Date:	4 December 2015
Company:	Bluefield Solar Income Fund Limited
Security Description:	New Ordinary Shares
ISIN code:	GG00BYNJX571
CREST Instruction Type:	MTM (MANY TO MANY)

Contents of MTM Instructions

The MTM Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

(a) the number of Interim Stock Line Shares to which the allocation relates; this being the total number of shares allocated to you by the Receiving Agent on 4 December 2015 via the REG message;

(b) the participant ID of the applicable CREST member;

(c) the member account ID of the applicable CREST member from which the Interim Stock Line Shares are to be debited;

(d) the participant ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 9RA01;

(e) the member account ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 28682BSF;

(f) the number of New Ordinary Shares that the CREST member is expecting to receive on settlement of the MTM Instruction. This must be the same as the number of Interim Stock Line Shares to which the application relates;

(g) the amount payable by means of the CREST assured payment arrangements on settlement of the MTM Instruction. This must be the full amount payable on application in respect of the number of Interim Stock Line Shares;

(h) the intended settlement date. This must be by 8.00 a.m. on 4 December 2015;

(i) the Interim Stock Line Shares ISIN, which is GG00BYNJX571;

(j) the New Ordinary Shares ISIN, which is GG00BB0RDB98;

(k) the Corporate Action Number for the Offer for Subscription. This will be available by viewing the relevant corporate action details in CREST;

(l) a contact name and telephone number in the shared note field; and

(m) priority of at least 80.

Should you have any queries about CREST please contact Euroclear UK & Ireland Limited on 08459 645 648.

5. Identity Information

Applicants need only consider Box 6 of the Application Form if the declaration in Box 8 cannot be completed. Notwithstanding that the declaration in Box 8 has been completed and signed, the Receiving Agent reserves the right to request of you the identity documents listed in section 6 and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application might be rejected or revoked. Where certified copies of documents are requested in section 7, such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

6. Reliable Introducer Certificate

Applications will be subject to Guernsey anti-money laundering requirements. This will involve you providing the verification of identity documents listed in section 7 of the Application Form UNLESS you can have the certificate provided at section 8 of the Application Form given and signed by a firm acceptable to the Receiving Agent. In order to ensure your application is processed timely and efficiently all applicants are strongly advised to have the certificate provided in Box 8 of the Application Form completed and signed by a suitable firm.

7. Contact Details

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person the Receiving Agent may contact with all enquiries concerning your application. Ordinarily this contact person should be the person signing in Box 3 on behalf of the first named holder. If no details are entered here and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Instructions for delivery of completed Application Forms

Completed Application Forms should be returned, by post or by hand (during normal business hours), to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Kent BR3 4TU so as to be received by no later than 11.00 a.m. on 30 November 2015, together in each case with payment by cheque or duly endorsed banker's draft in full in respect of the application made by the Application Form except where payment is being made by electronic bank transfer or by CREST settlement. 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.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Bluefield Solar Income Fund Limited

(A registered closed-ended investment company incorporated in Guernsey with limited liability and with registered number 56708)

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of Bluefield Solar Income Fund Limited (the **Company**) will be held at Heritage Hall, PO Box 225, Le Marchant Street, St Peter Port, Guernsey GY1 4HY on 17 November 2015 at 10.05 a.m. (or, if later, as soon as practicable following the conclusion of the Company's annual general meeting convened for the same day). Defined terms in this notice will have the meaning given to them in the prospectus published on 26 October 2015 (the **Prospectus**), a copy of which has been produced to this meeting and initialled by the Chairman for the purposes of identification. This Extraordinary General Meeting is being convened for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution:

SPECIAL RESOLUTION

THAT the Directors be and are hereby authorised to allot, issue and/or sell equity securities for cash as if article 6.2 of the Articles did not apply to any such allotment, issue and/or sale, provided that this power shall be limited to the allotment, issue and/or sale as described in the Prospectus of up to an aggregate number of 250 million New Ordinary Shares (or Ordinary Shares out of treasury) and/or C Shares in connection with the Initial Placing and Offer and the Placing Programme and shall expire on 25 October 2016 (unless previously renewed, varied or revoked by the Company in a general meeting), save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted and issued after such expiry and the Directors shall be entitled to allot and issue equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

By Order of the Board

26 October 2015

Registered Office:

Heritage Hall
PO Box 225
Le Marchant Street
St Peter Port
Guernsey GY1 4HY

Notes:

1. A member of the Company who is entitled to attend, speak and vote at the Extraordinary General Meeting is entitled to appoint one or more proxies to attend, speak and on a poll or otherwise to vote in his or her place. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them. A member of the Company may appoint more than one proxy to attend the meeting provided that each proxy is appointed to exercise rights attached to different shares.

2. Shareholders will find enclosed a Form of Proxy for use in relation to the Extraordinary General Meeting. The Form of Proxy should be completed in accordance with the instructions. To be valid, the form of proxy (together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such authority) must be deposited with the Company's UK Transfer Agent, Capita Asset Services, 34 Beckenham Road, Beckenham, Kent BR3 4ZF not later than 48 hours before the time appointed for the Extraordinary General Meeting or any adjournment of that meeting at which the person named in the instrument proposes to vote. Completion of the form of proxy will not preclude a member from attending and voting in person.

3. To change your proxy instructions simply submit a new Form of Proxy using the methods set out above and in the notes to the Form of Proxy. Note that the cut-off date and time for receipt of a Form of Proxy (see above) do not apply in relation to amended instructions given to a proxy validly appointed prior to the relevant cut-off date. If you submit more than one valid Form of Proxy, the form received last before the latest time for the receipt of proxies will take precedence.

4. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's UK Transfer Agent. In the case of a member which is an individual, the revocation notice must be under the hand of the appointer or of his attorney duly authorised in writing or, in the case of a member which is a company, the revocation notice must be executed under its common seal or under the hand of an officer of the company or an attorney duly authorised. Any power of attorney or any other authority under which the revocation notice is signed (or a notarially certified copy of such power or authority) must be included with the revocation notice.

5. The revocation notice must be received by the commencement of the Extraordinary General Meeting or any adjournment of that meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

6. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

Additional Notes:

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Extraordinary General Meeting to be held on 17 November 2015 and any adjournment thereof) by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (RA10) by the latest time for receipt of proxy appointments specified in this notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(s)(a) of the Uncertificated Securities Regulations 2001.

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