

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

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

This document, which comprises a prospectus relating to Cordiant Digital Infrastructure Limited (the “Company”), has been approved by the Financial Conduct Authority (the “FCA”) under the UK version of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended by The Prospectus (Amendment, etc) (EU Exit) Regulations 2019 (the “Prospectus Regulation”) and has been delivered to the FCA in accordance with Rule 3.2 of the Prospectus Regulation Rules. This document has been made available to the public as required by the Prospectus Regulation Rules.

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

The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or the quality of the securities that are the subject of this document. Investors should make their own assessment as to the suitability of investing in securities.

**The Shares will be admitted to the Specialist Fund Segment, which is intended for institutional, professional, professionally advised and knowledgeable investors who understand, or who have been advised of, the potential risk from investing in companies admitted to the Specialist Fund Segment. The Specialist Fund Segment is only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in securities admitted to trading on the Specialist Fund Segment is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment portfolio. It should be remembered that the price of the Shares can go down as well as up.**

Application will be made to the London Stock Exchange for all of the Ordinary Shares and Subscription Shares (issued and to be issued) in connection with the Initial Issue to be admitted to trading on the Specialist Fund Segment. Applications will be made for all of the Shares issued pursuant to each Subsequent Placing under the Placing Programme to be admitted to trading on the Specialist Fund Segment. It is expected that Initial Admission will become effective and that unconditional dealings will commence in the Ordinary Shares and Subscription Shares at 8.00 a.m. on 16 February 2021. It is expected that Admission pursuant to Subsequent Placings under the Placing Programme will become effective and dealings will commence between 16 February 2021 and 28 January 2022. No application has been made or is currently intended to be made for the Shares to be admitted to listing or trading on any other stock exchange.

---

## **CORDIANT DIGITAL INFRASTRUCTURE LIMITED**

*(a non-cellular company limited by shares incorporated under the laws of Guernsey with registered number 68630 and registered as a registered closed-ended collective investment scheme)*

**Initial Placing and Offer for Subscription for a target issue of 300 million  
Ordinary Shares at 100 pence per Ordinary Share  
Subscription Share Issue on a one for eight basis**

**Placing Programme for up to 500 million Ordinary Shares and/or C Shares  
Admission to trading on the Specialist Fund Segment of the Main Market**

---

**Investment Manager  
CORDIANT CAPITAL INC.**

**Financial Adviser, Global Coordinator and Sole Bookrunner  
INVESTEC BANK PLC**

Specialist Fund Segment securities are not admitted to the Official List of the FCA. Therefore, the Company has not been required to satisfy the eligibility criteria for admission to listing on the Official List and is not subject to the FCA's Listing Rules. The London Stock Exchange has not examined or approved the contents of this document.

The Company and each of the Directors, whose names appear on page 49 of this document, accept responsibility for the information contained in this document. To the best of the knowledge of the Company and the Directors, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

**Prospective investors should read the entire document and, in particular, the section headed “Risk Factors” of this document when considering an investment in the Company.**

Investec Bank plc (“Investec”), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulatory Authority, is acting exclusively as financial adviser, global coordinator and sole bookrunner for the Company and for no one else in relation to Initial Admission, any Admission of any Shares, the Initial Issue, the Placing Programme and the other arrangements referred to in this document. Investec will not regard any other person (whether or not a recipient of this document) as its client in relation to Initial Admission, any Admission of any Shares, the Initial Issue, the Placing Programme and the other arrangements referred to in this document and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing any advice in relation to Initial Admission, any Admission of any Shares, the Initial Issue, the Placing Programme, the contents of this document or any transaction or arrangement referred to in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed on Investec by FSMA or the regulatory regime established thereunder, Investec makes no representation, express or implied, in relation to, nor accepts any responsibility whatsoever for, the contents of this document or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, Initial Admission, any Admission of any Shares, the Initial Issue, the Placing Programme or any other arrangements referred to in this document. Investec (and its affiliates) accordingly, to the fullest extent permissible by law, disclaims all and any responsibility or liability (save for statutory liability), whether arising in tort, contract or otherwise which it might otherwise have in respect of the contents of this document or any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, Initial Admission, any Admission of any Shares, the Initial Issue, the Placing Programme or any other arrangements referred to in this document.

The Offer for Subscription will remain open until 11.00 a.m. on 12 February 2021 and the Initial Placing will remain open until 12.00 noon on 12 February 2021. Persons wishing to participate in the Offer for Subscription should complete the Application Form set out in Appendix 1 to this document. To be valid, Application Forms must be completed and returned with the appropriate remittance by post to the Receiving Agent so as to be received by no later than 11.00 a.m. on 12 February 2021.

Investors should rely only on the information contained in this document and any supplementary prospectus published by the Company prior to Initial Admission or any Admission of Shares issued pursuant to the Placing Programme. 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 any such supplementary prospectus and, if given or made, such information or representations must not be relied upon as having been so authorised by the Company, the Investment Manager and/or Investec. Without prejudice to the Company’s obligations under the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation, MAR and the RCIS Rules neither the delivery of this document nor any subscription for, or purchase of, Shares pursuant to the Initial Issue and/or the Placing Programme, under any circumstances, creates any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this document.

Investec and its affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services for, the Company and/or the Investment Manager, for which they would have received customary fees. Investec and its affiliates may provide such services to the Company and/or the Investment Manager and any of their respective affiliates in the future.

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

Investec and its affiliates do 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. In addition, Investec and its affiliates may enter into financing arrangements with investors, such as share swap arrangements or lending arrangements in connection with which Investec and its affiliates may from time to time acquire, hold or dispose of shareholdings in the Company.

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

**Notice to U.S. and other overseas investors**

This document may not be used for the purpose of, and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company and/or Investec or to any

person to whom it is unlawful to make such offer or solicitation. The offer and sale of Shares has not been and will not be registered under the applicable securities laws of Canada, Australia, the Republic of South Africa, Japan, or any member state of the EEA (with the exception of the Republic of Ireland). Subject to certain exemptions, the Shares may not be offered to or sold within Canada, Australia, the Republic of South Africa, Japan or any member state of the EEA (with the exception of the Republic of Ireland) or to any national, resident or citizen of Canada, Australia, the Republic of South Africa, Japan or any member state of the EEA (with the exception of the Republic of Ireland).

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

The Company is a registered closed-ended collective investment scheme pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and the Registered Collective Investment Scheme Rules 2018 issued by the Guernsey Financial Services Commission (the "GFSC"). The GFSC takes no responsibility for the financial soundness of the Company or for the correctness of any statements made or opinions expressed with regard to it.

This document has not been reviewed by the GFSC and, in granting registration, the GFSC has relied upon specific declarations provided by the Administrator.

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

**Without limitation, neither the contents of the Company's or the Investment Manager's website ([www.cordiantcap.com](http://www.cordiantcap.com)) or any other website nor the content of any website accessible from hyperlinks on the Company's or the Investment Manager's website (or any other website) is incorporated into, or forms part of this document, or has been approved by the FCA. Investors should base their decision whether or not to invest in the Shares on the contents of this document and any supplementary prospectus published by the Company prior to Initial Admission or any Admission of Shares issued pursuant to the Placing Programme alone.**

Dated: 29 January 2021

## CONTENTS

	<b>Page</b>
SUMMARY	5
RISK FACTORS	12
IMPORTANT INFORMATION	37
VOLUNTARY COMPLIANCE WITH LISTING RULES	45
EXPECTED TIMETABLE	47
INITIAL ISSUE AND PLACING PROGRAMME STATISTICS	48
DEALING CODES	48
DIRECTORS, MANAGEMENT AND ADVISERS	49
PART 1 INFORMATION ON THE COMPANY	51
PART 2 THE DIGITAL INFRASTRUCTURE INVESTMENT OPPORTUNITY	66
PART 3 INVESTMENT PIPELINE AND TRACK RECORD OF THE INVESTMENT MANAGER	74
PART 4 DIRECTORS, MANAGEMENT AND ADMINISTRATION	79
PART 5 THE INITIAL ISSUE	94
PART 6 THE PLACING PROGRAMME	104
PART 7 TAXATION	110
PART 8 GENERAL INFORMATION	115
PART 9 SUBSCRIPTION SHARES	146
PART 10 GLOSSARY OF RELEVANT TERMS	159
PART 11 DEFINITIONS	162
PART 12 TERMS AND CONDITIONS OF THE INITIAL PLACING AND THE PLACING PROGRAMME	171
PART 13 TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION	183
APPENDIX 1 – APPLICATION FORM	193

## SUMMARY

### 1 INTRODUCTION, CONTAINING WARNINGS

This summary should be read as an introduction to this document and any decision to invest in Shares should be based on consideration of this document as a whole by the investor. The investor could lose all or part of its invested capital. Where a claim relating to the information contained in this document is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating this document before legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of 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 Shares.

The securities which the Company intends to issue pursuant to the Initial Issue are Ordinary Shares and Subscription Shares. The Company also intends to issue Ordinary Shares and/or C Shares pursuant to the Placing Programme. The Company's LEI number is 213800T8RBBWZQ7FTF84.

The ISIN of the Ordinary Shares is GG00BMC7TM77 and the SEDOL is BMC7TM7.

The ISIN of the Subscription Shares is GG00BMDGQT90 and the SEDOL is BMDGQT9.

The ISIN of the C Shares is GG00BMC7TN84 and the SEDOL is BMC7TN8.

Cordiant Digital Infrastructure Limited (the "**Company**") can be contacted by writing to its registered office, 2nd Floor Trafalgar Court, Les Banques, Guernsey, GY1 4LY or by calling, within business hours, +44 1481 742742.

This document was approved on 29 January 2021 by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN. Contact information relating to the FCA can be found at <https://www.fca.org.uk/contact>.

### 2 KEY INFORMATION ON THE ISSUER

#### 2.1 Who is the issuer of the securities?

The Company was incorporated in Guernsey under the Companies Law on 4 January 2021 as a non-cellular company limited by shares with an indefinite life, is domiciled in Guernsey and is tax resident in the United Kingdom. The Company is registered with the GFSC as a registered closed ended collective investment scheme pursuant to the POI Law and the RCIS Rules.

The Company's principal activity is to invest in Digital Infrastructure Assets.

Pending allotment of the Ordinary Shares and the Subscription Shares pursuant to the Initial Issue, the Company is controlled by the Investment Manager. The Company and the Directors are not aware of any other person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

The Board is comprised of:

- Shonaid Jemmett-Page (Non-Executive Chairman);
- Sian Hill (Non-Executive Director);
- Marten Pieters (Non-Executive Director); and
- Simon Pitcher (Non-Executive Director).

The Company's Auditor is BDO Limited of PO Box 180, Place du Pré, Rue du Pré, St Peter Port, Guernsey GY1 3LL.

The Company's investment objective and investment policy are set out below.

#### ***Investment Objective***

The Company will seek to generate attractive total returns (on a risk adjusted basis) for Shareholders over the longer term, comprising capital growth and a progressive dividend, through investment in Digital Infrastructure Assets.

#### ***Investment Policy***

The Company will invest principally in operating Digital Infrastructure Assets, with a predominant focus on data centres, mobile telecommunications/broadcast towers and fibre-optic network assets, primarily located in the UK, the EEA, the United States of America and Canada.

The Company will seek to acquire or construct operating, cash flow generating Digital Infrastructure Assets (either individually or by acquiring entities owning portfolios of such assets), with a view to generating returns through: (a) contracted escalators, (b) increasing the tenanted use of such Digital Infrastructure Assets; (c) adding additional capacity to such Digital Infrastructure Assets; (d) driving operational improvements; and (e) achieving operational synergies with other Digital Infrastructure Assets already held within the portfolio.

Diversification within the Company's investment portfolio will be achieved by:

- (i) investing in a range of individual underlying Digital Infrastructure Assets, each of which will be capable of separate disposal;
- (ii) investing in different types of Digital Infrastructure Assets;
- (iii) gaining exposure at the Investee Company or asset level to a range of different underlying lessees, counterparties and customers;
- (iv) contracting at the Investee Company or asset level with a range of different project developers and service providers; and
- (v) achieving a geographic spread across the underlying Digital Infrastructure Assets.

There will be no operation of a common treasury function between the Company and any of its Digital Infrastructure Assets.

Investments in Digital Infrastructure Assets will be made principally through equity, or through structures having equity-like characteristics and control features (such as convertible instruments or structured debt) and will typically entail 100 per cent. ownership or majority control by the Company (either directly or indirectly). The Group may, however, enter into joint venture arrangements alongside one or more co-investors where the Investment Manager, in consultation with the Board, believes it is in the Group's best interests to do so (such as where an investment opportunity is too large for the resources of the Group on its own, to share risk or where a joint venture arrangement will optimise returns for the Company). In the case of such co-investments, the Group will target retaining a control position, where this is possible, or, where this is not possible, will have strong minority investor protections, governance rights and board representation.

The Group's Digital Infrastructure Assets will generally be held through group holding companies and vehicles which may have separate embedded management teams who are responsible for the day-to-day operational management of individual assets or groups of assets. Digital Infrastructure Assets grouped together under the management of any particular embedded management team in order to maximise economies of scale and operational efficiencies will be characterised as a "Platform".

Regardless of the operational grouping of assets into separate Platforms, each Digital Infrastructure Asset will be capable of individual disposal.

#### *Investment restrictions*

The Company will invest and manage its assets with the objective of spreading risk and, in doing so, will maintain the following investment restrictions:

- no single Digital Infrastructure Asset will represent more than 20 per cent. of Gross Asset Value;
- no more than 15 per cent. of Gross Asset Value will be invested, in aggregate, in Digital Infrastructure Assets located in countries outside the United Kingdom, the EEA, the United States of America and Canada;
- the maximum exposure to Digital Infrastructure Assets in the Development Phase will not exceed, in aggregate, 10 per cent. of Gross Asset Value; and
- the maximum exposure to Digital Infrastructure Assets in the Development Phase and Construction Phase will not exceed, in aggregate, 30 per cent. of Gross Asset Value.

Each individual underlying data centre, mobile telecommunications/broadcast tower or segment of a fibre-optic network held within the portfolio will constitute a separate Digital Infrastructure Asset for the purposes of the above investment restrictions and the investment policy generally.

It is expected that the Company will predominantly invest in unquoted assets. However, in exceptional circumstances, the Company may also invest in listed entities owning Digital Infrastructure Assets; and may maintain this investment if such entities subsequently cease to be listed, provided that the Investment Manager considers that such an investment is (and continues to be) consistent with the Company's investment objective. The Company will, in any case, invest no more than 15 per cent. of its total gross assets in other investment companies or investment trusts which are listed on the Official List.

The investment restrictions set out above apply following full investment of the Initial Net Proceeds and following the Company becoming substantially geared (meaning for this purpose borrowings by way of long-term structural debt of 30 per cent. of Gross Asset Value being put in place).

In addition, in circumstances in which the Group does not wholly-own an investment, the investment restrictions set out above will be applied *pro rata* by reference to the proportionate value of the Group's interest in such investment.

Compliance with the above investment restrictions will be measured at the time of investment and non-compliance resulting from changes in the price or value of assets following investment will not be considered a breach of the investment restrictions.

#### *Gearing policy*

The Group may employ gearing for working capital purposes, to finance acquisitions or, over the longer term, to enhance returns to investors.

Gearing may be employed either at the level of the Company, at the level of any intermediate wholly-owned subsidiary of the Company or at the individual Investee Company or asset level, and any limits set out in this document shall apply on a look-through basis. The Group's long-term gearing is expected to be between 20 per cent. and 35 per cent. of Gross Asset Value, and shall not exceed a maximum of 50 per cent. of Gross Asset Value, calculated at the time of drawdown.

In addition to such long-term gearing, the Company may also use gearing on a short-term basis, principally to finance the acquisition of assets provided that: (i) this short-term gearing shall not exceed 30 per cent. of Net Asset Value calculated at the time of drawdown, and (ii) it is intended to refinance such short-term borrowings at the earliest appropriate opportunity through the proceeds of further equity issuances by the Company.

The use and structure of gearing will be determined by, *inter alia*, the cash flow profile of each investment, the diversification of the overall asset portfolio and the availability of financing on attractive terms.

Debt may be secured with or without a charge over some or all of the Group's assets, depending on the optimal structure for the Group and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles. Intra-group debt between the Company and subsidiaries will not be included in the definition of borrowings for these purposes.

#### *Hedging and derivatives*

The Group may borrow in currencies other than Sterling as part of its currency hedging strategy.

Derivatives will not be used for investment purposes.

The Group may enter into hedging contracts (in particular, in respect of inflation, interest rate or currency hedging) and other derivative contracts for the purposes of efficient portfolio management. No hedging transactions will be undertaken for speculative purposes.

#### *Cash management*

The Company may hold cash on deposit for working capital purposes and while awaiting investment and, as well as cash deposits, may invest in cash equivalent investments, which may include government issued treasury bills, money market collective investment schemes, other money market instruments and short-term investments in money market type funds ("**Cash and Cash Equivalents**"). There is no restriction on the amount of Cash and Cash Equivalents that the Company may hold and there may be times when it is appropriate for the Company to have a significant Cash and Cash Equivalents position.

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

Any material change to the Company's investment policy set out above will require the approval of Shareholders by way of an ordinary resolution at a general meeting.

In the event of a breach of the investment guidelines and/or the investment restrictions set out above, the Investment Manager shall inform the Board as soon as practicable upon becoming aware of that breach. If the Board considers the breach to be material, notification will be made through an announcement via a Regulatory Information Service.

## **2.2 What is the key financial information regarding the issuer?**

No key financial information is included in this document as the Company is yet to commence operations.

## **2.3 What are the key risks that are specific to the issuer?**

The attention of investors is drawn to the risks associated with an investment in the Company which, in particular, include the following:

#### ***Key risks relating to the Company***

- As the Company lacks an operating history, investors have no basis on which to evaluate the Company's ability to achieve its investment objective and provide a satisfactory investment return.
- The Company, whose Board is non-executive and which has no employees, is reliant upon the performance of third-party service providers for its executive function.

#### ***Key risks relating to the Investment Policy***

- There can be no guarantee or assurance that the Company will achieve its investment objective.
- The Company's targeted returns are targets only and are based on estimates and assumptions that are inherently subject to significant uncertainties and contingencies, and the actual rate of return may be materially lower than the targeted returns.
- The Group may invest in Digital Infrastructure Assets which are in construction or construction-ready or otherwise require significant future capital expenditure. Digital Infrastructure Assets which have significant capital expenditure requirements may be exposed to risks, such as cost overruns, construction delay, failure to meet technical requirements or construction defects which may be outside the Group's control.

- While the use of borrowings should enhance the total return on the Shares, where the return on the Company's portfolio of Digital Infrastructure Assets exceeds the cost of borrowing, it will have the opposite effect where the return on the Company's portfolio of Digital Infrastructure Assets is lower than the cost of borrowing.

#### **Key risks relating to Digital Infrastructure Assets**

- If a data centre owned by the Group were to suffer a serious incident, be it due to equipment failure, human error or any other reason, this could have an impact on the operational track record and reputation of the Group. Such an incident could harm the underlying tenants of an Investee Company, reduce such tenants' confidence in the services offered by such Investee Company, impair the ability of an Investee Company to attract new tenants and retain existing tenants, resulting in such Investee Company incurring financial obligations to its tenants.
- If the Group's largest underlying customers or potential customers are unable to generate sufficient cash flow or raise adequate capital to fund their business plans, they may reduce their capital spending, which could materially reduce and adversely affect demand for the Group's mobile telecommunications/broadcast tower sites.
- The Group will seek to acquire fibre-optic network assets that are attractive to the underlying targeted customer set. However, if the Group's Investee Companies are unable to secure satisfactory relationships with such underlying customers, on terms favourable to such Investee Companies, such Investee Companies may be unable to implement their respective business plans in full.

#### **Key risks relating to the Investment Manager**

- The success of the Company will depend on the Investment Manager's ability to identify, acquire and realise Digital Infrastructure Assets in accordance with the Company's investment objective. This, in turn, will depend on the ability of the Investment Manager to identify and complete the purchase of suitable Digital Infrastructure Assets for the Group. There can be no assurance that the Investment Manager will be able to do so or that it will enable the Group to invest on attractive terms or generate any investment returns for Shareholders or avoid investment losses.
- The key members of the Investment Manager's Digital Infrastructure Investment Team are Steven Marshall, Benn Mikula, Hagai Shilo and David Kippen (or such other person(s) as may be approved as a replacement by the Board from time to time) and in the event that two or more of these individuals were to cease to be engaged by the Investment Manager and/or cease to be actively engaged in the performance of the management of the portfolio this may have a negative impact on the Company's ability to achieve its investment objective.

### **3 KEY INFORMATION ON THE SECURITIES**

#### **3.1 What are the main features of the securities?**

##### **3.1.1 Shares**

The securities which the Company intends to issue under the Initial Issue are Ordinary Shares and Subscription Shares. Immediately following Initial Admission, the Company will have two classes of share in issue. Thereafter the Company also intends to issue up to 500 million Ordinary Shares and/or C Shares pursuant to the Placing Programme.

The Shares are denominated in Sterling. The Ordinary Shares are being offered under the Initial Issue at the Issue Price of 100 pence per Ordinary Share. The Subscription Shares are being issued to subscribers in the Initial Issue for nil value on the basis of one Subscription Share for every eight Ordinary Shares subscribed pursuant to the Initial Issue.

The minimum price at which Ordinary Shares will be offered under the Placing Programme will be equal to the estimated Net Asset Value per Ordinary Share, plus a premium to at least cover the costs and expenses of the relevant Subsequent Placing. Any C Shares issued under the Placing Programme will be issued at a price of 100 pence per C Share.

As at the date of this document, the issued share capital of the Company comprises one redeemable share of no par value and there has been no change in the issued share capital since incorporation.

##### **3.1.2 Rights attaching to the Shares**

The Ordinary Shares and the C Shares have the following rights:

*Dividend:* The holders of the Ordinary Shares or C Shares shall be entitled to receive, and to participate in, any dividends declared in relation to the Ordinary Shares or class of C Shares that they hold.

*Rights as respect to capital:* On a winding-up or a return of capital, if there are any C Shares in issue, the net assets attributable to the C Shares of each class shall be divided *pro rata* amongst the holders of the C Shares attributable to each class. For so long as one or more classes of C Shares are in issue, the assets attributable to any class of C Shares shall at all times be separately identified and shall have allocated to them such proportion of the

expenses or liabilities of the Company as the Directors fairly consider to be attributable to any class of C Shares in issue. The holders of Ordinary Shares shall be entitled (on a *pro rata* basis) to all of the Company's remaining net assets after taking into account any net assets attributable to any class of C Shares in issue.

*Voting:*

The Ordinary Shares and C Shares shall carry the right to receive notice of, attend, speak and vote at general meetings of the Company and each holder being present in person or by proxy shall upon a show of hands have one vote and upon a poll shall have one vote in respect of each Ordinary Share or C Shares that they hold. The consent of the holders of the Ordinary Shares or a class of C Shares as a class will be required for the variation of any rights attached to the Ordinary Shares or the relevant class of C Shares (as the case may be).

The Subscription Shares have the following rights:

*Dividend:*

Subscription Shares carry no right to any dividend or distribution by the Company and (save to the extent that the Directors elect in connection with an exercise of Subscription Rights) no right to be redeemed (although the Company may elect to purchase Subscription Shares). Each Subscription Share will confer the right (but not the obligation) to subscribe for one Ordinary Share on exercise of the rights attaching to the Subscription Shares (the "**Subscription Rights**") and on payment of the Subscription Price.

*Rights as respect to capital:*

In the event of the winding-up of the Company prior to the exercise of the Subscription Rights, subject to the proviso below, each Subscription Shareholder shall be treated as if immediately before the date of the relevant order or resolution for winding-up (as the case may be) it Subscription Rights had been exercisable and had been exercised in full. It shall be entitled to receive out of the assets available in the liquidation *pari passu* with Ordinary Shareholders such sum as they would have received had it been the holder of the Ordinary Shares to which it would have become entitled by virtue of such subscription after deducting a sum per Subscription Share equal to the Subscription Price. The above is PROVIDED THAT in such winding-up and on the basis that all Subscription Rights then unexercised had been exercised in full and the Subscription Price in respect thereof at the relevant Subscription Date had been received in full by the Company there would be a surplus available for distribution amongst the Ordinary Shareholders (including for this purpose the Ordinary Shares which would arise on exercise of all the Subscription Rights), which surplus would, on such basis, exceed in respect of each Ordinary Share a sum equal to such Subscription Price. Subject to the foregoing, all Subscription Rights shall lapse on liquidation of the Company and Subscription Shareholders have no right to share in any surplus in the event of liquidation.

*Voting:*

Subscription Shareholders are not entitled to attend or vote at meetings of Shareholders.

### **3.1.3 Restrictions on the free transferability of Shares**

There are no restrictions on the free transferability of the Shares, subject to compliance with applicable securities laws.

### **3.1.4 Dividend policy and target returns**

Whilst not forming part of the Company's investment policy, the Company intends to pay dividends on a semi-annual basis with dividends typically declared in respect of the six-month periods ending 31 March and 30 September and paid in July and December, respectively.

The Company is targeting an initial dividend of 1 penny per Ordinary Share in the first full financial year (the "**First Dividend**"), rising to 2-3 pence per Ordinary Share in the second full financial year and, thereafter, a progressive dividend, rising to at least 4 pence per Ordinary Share in the fifth full financial year.

In respect of the target dividend in the first full financial year, the Company is targeting a first interim dividend of 0.5 pence per Ordinary Share in respect of the period from Initial Admission to 30 September 2021 and a second interim dividend of 0.5 pence per Ordinary Share in respect of the period from 1 October 2021 to 31 March 2022, payable in December 2021 and July 2022 respectively.

Distributions made by the Company may either take the form of dividend income, or of "qualifying interest income" which may be designated as interest distributions for UK tax purposes. Prospective investors should note that the UK tax treatment of the Company's distributions may vary for a Shareholder depending upon the classification of such distributions. **Prospective investors who are**

**unsure about the tax treatment that will apply in respect of any distributions made by the Company should consult their own tax advisers.**

If any C Shares are issued, holders of any class of C Shares following Initial Admission will be entitled to participate in any dividends and distributions of the Company as the Directors may resolve to pay to holders of that class of C Shares out of the assets attributable to that class of C Shares. For the avoidance of doubt, the targets set out above shall not apply with respect to any tranche of C Shares prior to conversion into Ordinary Shares. No dividends are payable in relation to the Subscription Shares.

Dividends and distributions on Ordinary Shares (or C Shares) will be declared and paid in Sterling.

Further, the Company is targeting a NAV Total Return of at least 9 per cent. per annum following full investment of the Initial Net Proceeds and associated gearing.

**The dividend and return targets stated above are targets only and not a profit forecast. There can be no assurance that these targets will be met, and they should not be taken as an indication of the Company's expected future results. The Company's actual returns will depend upon a number of factors, including but not limited to the size of the Initial Issue and the Placing Programme, the Company's net income and level of ongoing charges. Accordingly, potential investors should not place any reliance on these targets in deciding whether or not to invest in the Company and should decide for themselves whether or not the target dividend and target NAV Total Return are reasonable or achievable.**

**Investors should note that references in this document to "dividends" and "distributions" are intended to cover both dividend income and income which is designated as an interest distribution for UK tax purposes and therefore subject to the interest streaming regime applicable to investment trusts.**

Dividends will be subject to compliance with the solvency test prescribed by Guernsey law.

In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period.

### **3.2 Where will the securities be traded?**

Application will be made to the London Stock Exchange for all of the Shares (issued and to be issued) to be admitted to trading on the Specialist Fund Segment of the Main Market. No application has been made or is currently intended to be made for the Shares to be admitted to listing or trading on any other stock exchange.

### **3.3 What are the key risks specific to the securities?**

The attention of investors is drawn to the risks associated with an investment in the Shares which, in particular, include the following:

- the value of an investment in the Company, and the returns derived from it, if any, may go down as well as up and an investor may not get back the amount invested;
- the market price of the Shares may fluctuate independently of their Net Asset Value and the Shares may trade at a discount or premium to their Net Asset Value at different times;
- it may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Shares; and
- the Subscription Shares may expire worthless.

## **4 KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET**

### **4.1 Under which conditions and timetable can I invest in this security?**

The Company is targeting an issue of 300 million Ordinary Shares pursuant to the Initial Issue comprising the Initial Placing and the Offer for Subscription. Ordinary Shares will be issued pursuant to the Initial Issue at an Issue Price of 100 pence per Ordinary Share. Subscription Shares will be issued for nil value to subscribers subscribing for Ordinary Shares in the Initial Issue on the basis of one Subscription Share for every eight Ordinary Shares subscribed for in the Initial Issue.

The Offer for Subscription will remain open until 11.00 a.m. on 12 February 2021 and the Initial Placing will remain open until 12.00 noon on 12 February 2021. If the Initial Issue is extended, the revised timetable will be notified via a Regulatory Information Service announcement.

The Directors may issue up to a further 500 million Ordinary Shares and/or C Shares pursuant to the Placing Programme without having to first offer those Shares to existing Shareholders. The issue of Shares is at the discretion of the Directors.

Following the Initial Issue, the Placing Programme may be implemented by Subsequent Placings pursuant to the Placing Programme.

The Placing Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares and/or C Shares over a period of time. The Placing

Programme will open on 16 February 2021 and will close on 28 January 2022 (or an earlier date on which it is fully subscribed, or otherwise at the discretion of the Directors).

Applications will be made for the Shares to be issued pursuant to the Initial Issue and the Placing Programme to be admitted to trading on the Specialist Fund Segment of the Main Market.

The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue are expected to be approximately £6 million, equivalent to approximately 2 per cent. of the Initial Gross Proceeds, assuming Initial Gross Proceeds of £300 million. Irrespective of the Initial Gross Proceeds, these costs are capped at 2 per cent of the Initial Gross Proceeds. The costs will be deducted from the Initial Gross Proceeds. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue. It is expected that the starting Net Asset Value per Ordinary Share will be approximately 98 pence.

The costs and expenses of each Subsequent Placing pursuant to the Placing Programme will depend on subscriptions received but are not expected to exceed 2 per cent of the gross proceeds of such Subsequent Placing. The costs of any issue of Ordinary Shares will be covered by issuing such Ordinary Shares at a premium to the prevailing estimated Net Asset Value per Ordinary Share at the time of the Subsequent Placing. The costs and expenses of any issue of C Shares under the Placing Programme will be paid out of the gross proceeds of such issue and will be borne by holders of C Shares only.

No dilution will result from the Initial Issue. If an existing Shareholder does not subscribe for C Shares and/or Ordinary Shares issued in Subsequent Placings under the Placing Programme, such Shareholder's proportionate ownership and voting rights in the Company will be reduced.

The Initial Issue is conditional, *inter alia*, on: (i) Initial Admission having become effective on or before 8.00 a.m. on 16 February 2021 or such later time and/or date as the Company, the Investment Manager and Investec may agree (being not later than 8.00 a.m. on 31 March 2021); and (ii) the Placing and Offer Agreement becoming wholly unconditional in respect of the Initial Issue (save as to Initial Admission) and not having been terminated in accordance with its terms at any time prior to Initial Admission; and (iii) the Minimum Gross Proceeds, being £150 million (or such lesser amount as the Company, the Investment Manager and Investec may agree) being raised. If the Minimum Gross Proceeds are not raised, the Initial Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA.

Each allotment and issue of Ordinary Shares and/or C Shares pursuant to a Subsequent Placing under the Placing Programme, following the Initial Issue, will be conditional, *inter alia*, on: (i) Admission of the relevant Shares occurring by no later than 8.00 a.m. on such date as the Company, the Investment Manager and Investec may agree from time to time in relation to that Admission, not being later than 28 January 2022; (ii) a valid supplementary prospectus being published by the Company, if such is required by the Prospectus Regulation Rules; (iii) the applicable Placing Programme Price being determined by the Directors; and (iv) the Placing and Offer Agreement being wholly unconditional as regards the relevant Subsequent Placing (save as to the relevant Admission) and not having been terminated in accordance with its terms prior to the relevant Admission.

## **4.2 Why is this prospectus being produced?**

### **4.2.1 Reasons for the issue**

The Initial Issue is intended to raise money for investment in accordance with the Company's investment objective and investment policy. The Directors intend to use the Initial Net Proceeds of the Initial Issue, after providing for the Company's operational expenses, to purchase investments in line with the Company's investment objective and investment policy. There are no material conflicts of interest relating to the Initial Issue or the admission of the Ordinary Shares and Subscription Shares to trading on the Specialist Fund Segment.

Following the Initial Issue, the Company may wish to issue further Shares to raise additional capital. The Directors intend to use the Net Proceeds of any Subsequent Placing under the Placing Programme to acquire investments in accordance with the Company's investment objective and investment policy.

In addition, the Directors intend to use the proceeds arising from the exercise of any Subscription Shares from time to time to acquire investments in accordance with the Company's investment objective and investment policy and for general corporate purposes.

Neither the Initial Issue nor any Subsequent Placing will be underwritten.

### **4.2.2 Estimated net proceeds**

The Company is targeting an issue of 300 million Ordinary Shares pursuant to the Initial Issue. The Initial Net Proceeds of the Initial Issue are dependent on the level of subscriptions received. Assuming Initial Gross Proceeds are £300 million, the Initial Net Proceeds of the Initial Issue will be approximately £294 million.

## RISK FACTORS

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

Prospective investors should note that the risks relating to the Company, its investment strategy and the Shares summarised in the section of this document headed “Summary” are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed “Summary” but also, among other things, the risks and uncertainties described in this “Risk Factors” section. Additional risks and uncertainties not currently known to the Company or the Directors or that the Company or the Directors consider to be immaterial as at the date of this document may also have a material adverse effect on the Company’s financial condition, business, prospects and results of operations and, consequently, the Company’s Net Asset Value and/or the market price of the Shares.

The Specialist Fund Segment is only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in securities traded on the Specialist Fund Segment is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment portfolio. Investors in the Company are expected to be institutional investors, professional investors, professionally advised investors and knowledgeable investors who understand, or who have been advised of, the potential risks from investing in the Company.

Potential investors in the Shares should review this document carefully in its entirety and consult with their professional advisers prior to making an application to subscribe for Shares. In particular, prospective investors should note that the risks relating to Digital Infrastructure Assets do not necessarily apply to each Digital Infrastructure Asset. The nature, terms, structure and characteristics of each Digital Infrastructure Asset vary significantly between each asset. The risks relating to Digital Infrastructure Assets should be read in conjunction with the provisions of this document relating to Digital Infrastructure Assets generally.

### RISKS RELATING TO THE COMPANY

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

The Company was incorporated on 4 January 2021, has no operating history and will not commence operations until it has obtained funding through the Initial Issue. As the Company lacks an operating history, investors have no basis on which to evaluate the Company’s ability to achieve its investment objective and provide a satisfactory investment return.

The Company’s returns will depend on many factors, including the performance of its investments and the availability and liquidity of investment opportunities within the scope of the Company’s investment objective and investment policy. There can be no assurance that the Company’s investment policy will be successful.

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

The Company has no employees and the Directors have all been appointed on a non-executive basis. The Company will be reliant upon the performance of third-party service providers for its executive functions. In particular, the Investment Manager, the Administrator and the Registrar will be performing services which are integral to the operation of the Company.

Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company or administration of its investments. The termination of the Company's relationship with any third-party service provider or any delay in appointing a replacement for such service provider, could disrupt the business of the Company materially and could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

#### **RISKS RELATING TO THE INVESTMENT POLICY**

***The Company may not meet its investment objective and there is no guarantee that the Company's target dividend and/or target returns, as may be adopted from time to time, will be met***

The Company may not achieve its investment objective. The Company's investment objective is to seek to generate attractive total returns for Shareholders over the longer term, comprising capital growth and a progressive dividend through investment in Digital Infrastructure Assets, with a predominant focus on data centres, mobile telecommunications/broadcast towers and fibre-optic network assets. The payment of future dividends and the level of any future dividends paid by the Company is subject to the discretion of the Directors and will depend upon, amongst other things, the Company successfully pursuing its investment policy and the Company's earnings, financial position, cash requirements, level and rate of borrowings and availability of profit, as well as the provisions of relevant laws or generally accepted accounting principles from time to time. There can be no assurance that any dividends will be paid in respect of any financial year or period and no guarantee as to the level of any future dividends to be paid by the Company. There is no guarantee that the Company will achieve its return objective being the stated target NAV Total Return of at least 9 per cent. per annum on the Issue Price.

***The Company's targeted returns are based on estimates and assumptions that are inherently subject to significant uncertainties and contingencies, and the actual rate of return may be materially lower than the targeted returns***

The Company's target returns set out in this document are targets only and are based on estimates and assumptions about a variety of factors including, without limitation, value, yield and performance of the Group's Digital Infrastructure Assets (including the performance and reliability of the underlying asset technology), which are inherently subject to significant business, economic and market uncertainties and contingencies, all of which are beyond the Company's control and which may adversely affect the Company's ability to achieve its targeted returns. The Company may not be able to implement its investment objective and investment policy in a manner that generates returns in line with the targets.

The Directors may determine, in order to maintain the payment of dividends in accordance with the Company's dividend policy, to pay dividends out of capital. Any payment of a dividend from capital will only be made in compliance with the Companies Law, which requires the Company to pass a solvency test before paying a dividend. However, where the Company does pay a dividend from capital, such payment will reduce the amount of cash that can be deployed for investment purposes.

Furthermore, the target returns are based on market conditions and the economic environment at the time of assessing the target returns and are therefore subject to change. In particular, the target returns assume no material changes occur in government regulations or other policies, or in law and taxation, and that the Group is not affected by the occurrence of risks described elsewhere in this document. There is no guarantee that actual (or any) returns can be achieved at or near the levels set out in this document. Accordingly, the actual rate of return achieved may be materially lower than the target returns, or may result in a partial or total loss, which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

#### **Construction risks**

The Group may invest in Digital Infrastructure Assets which are in construction or construction-ready or otherwise require significant future capital expenditure. Digital Infrastructure Assets which have significant capital expenditure requirements may be exposed to risks, such as cost overruns,

construction delay, failure to meet technical requirements or construction defects which may be outside the Group's control. Whilst this risk may in some instances be transferred to construction contractors, it will not be possible to transfer all such risks and even where these risks are transferred, contractual provisions aimed at transferring these risks may have financial limits for compensation and may not be enforceable.

If a third party is liable to repair or remedy any construction defect, that third party may not carry out such repair or remedy by the agreed deadline or at all and/or the relevant defects may not be adequately covered by warranty. Even if such defects are covered by warranty, they may only occur after the warranty period expires, or the relevant damages may exceed the scope of the warranty and therefore not be capable of full recovery.

As a result, it may not be possible to recoup all damages/losses incurred as a result of construction related risks coming to fruition. Additional costs and expenses, delays in construction or carrying out repairs, failure to meet technical requirements, lack of warranty cover and/or consequential operational failures or malfunctions may have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

### ***Use of borrowings***

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

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

Any amounts that are secured under a bank facility will rank ahead of Shareholders' entitlements and accordingly, should the Group's Digital Infrastructure Assets not grow at a rate sufficient to cover the costs of operating such assets, on a liquidation of the Company, Shareholders may not recover all or any of their investment.

The Company or an Investee Company may also find it difficult, costly or not possible to refinance future indebtedness as it matures or that the terms become more expensive. For example, the Company or an Investee Company may be unable to enter into an agreement to secure refinancing on similar terms or on a timely basis or at all. Further, if interest rates are higher when any relevant indebtedness is refinanced, the Company's or relevant Investee Company's finance costs could increase. Any of the foregoing events may have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders and may lead to Shareholder dilution as a result of further equity capital raisings by the Company or the forced sales of assets.

The Group may incur debt with a floating rate of interest and be exposed to interest rate risk due to fluctuations in prevailing market rates. Changes in interest rates may also affect the valuation of the investment portfolio by impacting the valuation discount rate. The Group may hedge or partially hedge interest rate exposure on borrowings. However, such measures may not be sufficient to protect the Company from adverse movements in prevailing interest rates to the extent exposures are unhedged or hedges are inadequate to offer full protection. If exposures are unhedged, interest rate movements may lead to mark-to-market movements which may be positive or negative and upon breaking of such hedges may cause crystallisation of gains or losses. In addition, hedging arrangements expose the Group to credit risk in respect of the hedging counterparty. Increased exposure to interest movements may have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

In addition, a number of Group's Digital Infrastructure Assets may be jointly financed in a portfolio financing and, pursuant to the financing arrangements, there may be circumstances where the failure of one Investee Company to comply with its obligations under a financing arrangement would

entitle the financier to enforce its security interest over the assets of other Investee Companies that are party to the same project financing arrangement and if this were to occur it may have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***Identified pipeline investments are not subject to binding contractual obligations***

Whilst the Investment Manager has identified a pipeline of opportunities for the Company's portfolio following Initial Admission, none have been contracted to be acquired by the Company and there are no contractually binding obligations for the sale and purchase of the pipeline opportunities. Therefore, there can be no assurance that any of the pipeline opportunities identified in this document will remain available for purchase after Initial Admission or, if available, at what price (if a price can be agreed at all) the investments can be acquired by the Company. The individual holdings within the Company's portfolio may therefore be substantially different to the current identified pipeline opportunities.

***The Digital Infrastructure Assets in which the Group will invest are inherently illiquid in nature***

The Group will invest in Digital Infrastructure Assets. Such investments are illiquid, they may be difficult for the Group to sell and the price achieved on any realisation may be at a discount to the prevailing valuation of the relevant Digital Infrastructure Asset. The inability of the Group to exit a Digital Infrastructure Asset in good time or for a price that it considers to represent the fair value of such investment could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***There can be no assurance that the value of Digital Infrastructure Assets which the Company reports from time to time will, in fact, be realised***

There can be no assurance that the value of Digital Infrastructure Assets which the Company reports from time to time will, in fact, be realised. A substantial portion of the Company's investments, will be in the form of investments for which market quotations are not readily available. The Investment Manager is required to make determinations as to the fair value of these investments on a semi-annual basis and (after approval by the Board) the resulting valuations are used, among other things, in the Company's financial statements and will be used for determining the basis on which additional capital is raised. The fair value of the Company's unquoted investments will be calculated in line with IPEV guidelines, based on information provided by the Company's Investee Companies. The Investment Manager may not be in a position to confirm the completeness, genuineness or accuracy of such information or data. In addition, the financial reports typically provided by Investee Companies or other such investment vehicles will be provided only on a quarterly or half-yearly basis and generally will be issued one to four months after their respective valuation dates. Consequently, each half-yearly Net Asset Value will contain information that may be out of date and require updating and completing. Shareholders should bear in mind that the actual Net Asset Value may be materially different from these half-yearly estimates. Because such valuations are inherently uncertain, they may fluctuate over short periods of time and are based on estimates, determinations of fair value may differ materially from the values that would have resulted if a liquid market had existed. Changes in values attributed to investments from time to time may result in volatility of Net Asset Values and results of operations that the Company reports from period to period. There can be no assurance that the investment values that the Company records from time to time will ultimately be realised and the Net Asset Value of the Company could be adversely affected if the values of investments that the Company records are materially higher than the values that are ultimately realised upon disposal which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The Company may be exposed to currency and foreign exchange risks***

The Company will have investments denominated in currencies other than Sterling, particularly US Dollars and the Euro. The Company will, therefore, be exposed to foreign exchange risk. Changes in the rates of exchange between Sterling and another currency will cause the value of any investment denominated in that currency, and any income arising out of the relevant investment, to go down or up in Sterling terms. In order to mitigate such exposure to any fluctuations in foreign exchange rates, the Company may, but is not obliged to, enter into hedging arrangements. If the Company were to enter into hedging arrangements, there is no assurance that the Company will be

able to settle any such hedging arrangements (either on favourable terms, in a timely manner or at all) or that any such arrangements would provide sufficient protection to the Company against any adverse currency movements. Adverse currency movements could have an adverse effect on the returns realised by the Company from the portfolio, with a consequential adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The Group operates in a competitive market for investment opportunities***

The Group will compete for Digital Infrastructure investment opportunities with a number of entities such as corporations operating in the sector or private equity funds. Some of these competitors may be larger, have access to greater capital than is available to the Group. Some of the Group's competitors may also have a lower cost of capital and access to funding or deal sources that are not available to the Group, which may create competitive disadvantages for the Group. In addition, some of these competitors may have higher tolerances or different risk assessments, which could allow them to consider a wider variety of investments. The Group may lose investment opportunities in the future if it does not match investment prices, structures and terms offered by competitors. Alternatively, the Group may experience decreased rates of return and increased risk of loss if it matches investment prices, structures and terms offered by competitors which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***Unsuccessful transaction costs***

There is a risk that the Group may incur substantial legal, financial and other advisory expenses arising from unsuccessful transactions which may include expenses incurred in dealing with transaction documentation and legal, accounting and other due diligence (together "broken deal expenses"). If the Group was to incur too many broken deal expenses this could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The Company is exposed to a variety of financial budgeting, modelling and planning risks arising from its Investee Companies***

Digital Infrastructure businesses rely on large and detailed financial models. There is a risk that errors may be made in the assumptions or methodology used in a financial model for an Investee Company. In such circumstances the returns generated by such Investee Company may be less than expected.

The Group will make investments in Investee Companies based on estimates or projections of investment cash flows. There can be no assurance that the actual investment cash flows from such Investee Companies will equal or exceed those expected and that the stated targeted return to Shareholders will be achieved.

The financial modelling for an Investee Company will often assume an annual rate of organic price progression. If actual rates of price progression are lower than expected, the nominal investment return from such Investee Company will tend to be lower than anticipated which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The Company is reliant on the ability of the management teams of its underlying Investee Companies***

The day-to-day operations of the Investee Companies will be the responsibility of the underlying management teams for those Investee Companies. Although the Investment Manager is responsible for monitoring the performance of each Investee Company (and will generally have board representation) and the Company will generally invest in Investee Companies operated by strong management teams, there can be no assurance that the existing management team of an Investee Company, or any successor, is, or will be able to, perform in a manner consistent with the Group's plans and/or objectives. Failure to do so could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

### ***The Company faces risks in effecting operating improvements of its Investee Companies***

In some cases, the success of the Company's investment objective may depend, in part, on the ability of the Investment Manager, to restructure and effect improvements in the operations of an Investee Company. The activity of identifying and implementing restructuring programs and operating improvements at the Investee Company level will entail a high degree of uncertainty. There can be no assurance that the Investment Manager will be able successfully to identify and implement such restructuring programs and improvements. Failure to do so could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

## **RISKS RELATING TO MAKING INVESTMENTS**

### ***Due diligence risks***

Prior to making an investment in an Investee Company or a Digital Infrastructure Asset, the Investment Manager will undertake commercial, tax, financial, technical and legal due diligence on such Investee Company or Digital Infrastructure Asset. Notwithstanding that such due diligence is undertaken, it may not uncover all of the material risks affecting such Investee Company or Digital Infrastructure Asset and/or such risks may not be adequately protected against in the acquisition or investment documentation. The Company may acquire Investee Companies or Digital Infrastructure Assets with unknown liabilities and without any recourse, or with limited recourse, with respect to unknown liabilities. If an unknown liability was later asserted in respect of the relevant Investee Company or Digital Infrastructure Asset, the Company might be required to pay substantial sums to settle it or enter into litigation proceedings, which could adversely affect cash flow and, ultimately, returns to Shareholders.

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 relevant Investee Company or Digital Infrastructure Asset and consequently a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

The Group will have reliance on due diligence reports prepared by professionals appointed by the Investment Manager in relation to an investment. There is a risk that, notwithstanding this reliance relationship, the relevant professional adviser has limited its liability or is otherwise able to avoid liability to the Group. Should that be the case, the Group may be unable to recover losses suffered as a result of its reliance on such professional adviser.

### ***The Company will invest in Digital Infrastructure Assets through one or more Investee Companies***

The Company will invest in Digital Infrastructure Asset indirectly through Investee Companies. While such investments will provide the Company with diversification on a look-through basis, the Company will be exposed to the following risks associated with the vehicles as a whole which may affect its return profile:

- any change in the laws and regulations including any tax laws and regulations applicable to such Investee Companies or to the Company in relation to the receipts from any such Investee Companies may adversely affect the Company's ability to realise all or any part of its interest in Digital Infrastructure Assets held through such Investee Companies; or
- any failure of an Investee Company or its underlying management team to meet its obligations may have a material adverse effect on the Digital Infrastructure Assets held through such Investee Company (for example, triggering breach of contractual obligations) and the Company's exposure to the Digital Infrastructure Assets held through such Investee Company and/or the returns generated from such Digital Infrastructure Assets for the Group. This could, in turn, have a material adverse effect on the performance of the Company and affect its ability to achieve its investment objective; or
- when making an investment into Digital Infrastructure Assets through an investment in an Investee Company, there may be contractual rights (such as pre-emption rights) accruing to third parties, not necessarily fully identified through due diligence, that may be subject to subsequent challenge impacting the Group's rights.

Further, where investments are acquired indirectly through investment in Investee Companies as described above, the value of an Investee Company may not be the same as the value of the underlying Digital Infrastructure Assets it owns due, for example, to tax, contractual, contingent and other liabilities, or structural considerations. To the extent that valuations of the Company's investments in Investee Companies prove to be inaccurate or do not fully reflect the value of the underlying Digital Infrastructure Assets, whether due to the above factors or otherwise, this may have a material adverse effect on the value of the portfolio and could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The Group may be subject to liability following the disposal of investments***

The Group may be exposed to future liabilities and/or obligations with respect to interests in Investee Companies or individual Digital Infrastructure Assets that it sells. The Group (or an Investee Company) may be required, or may consider it prudent, to set aside provisions for warranty claims or contingent liabilities in respect of the disposal of interests in Investee Companies or individual Digital Infrastructure Assets. The Group (or an Investee Company) may be required to pay damages (including but not limited to litigation costs) to a purchaser to the extent that any representations or warranties given to a purchaser prove to be inaccurate or to the extent that the Group (or an Investee Company) breaches any of its covenants or obligations contained in the disposal documentation. In certain circumstances, it is possible that representations and warranties incorrectly given could give rise to a right by the purchaser to unwind the contract in addition to the payment of damages. Further, the Group (or an Investee Company) may become involved in disputes or litigation in connection with such disposed investments. Certain obligations and liabilities associated with the ownership of investments can also continue to exist notwithstanding any disposal, such as certain environmental liabilities. Any claims, litigation or continuing obligations in connection with the disposal of any interests in Investee Companies or individual Digital Infrastructure Assets may subject the Group (or an Investee Company) to unanticipated costs and may require the Investment Manager to devote considerable time to dealing with them. As a result, any such claims, litigation or obligations may have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The Group may not acquire 100 per cent. control of an Investee Company or a Digital Infrastructure Asset***

Under certain investment structures, the Group may acquire less than a 100 per cent. interest in a particular Investee Company or Digital Infrastructure Asset and the remaining ownership interest will be held by one or more third parties. This will typically be the result of the existing management of an Investee Company retaining a minority ownership interest, thereby more tightly aligning their interests with those of the Group. In such instances, the Group may acquire a controlling or non-controlling interest.

These investment arrangements may expose the Group to the risk that:

- co-owners become insolvent or bankrupt, or fail to fund their share of any capital contribution which might be required, which may result in the Group having to pay the co-owner's share or risk losing the investment;
- co-owners have economic or other interests that are inconsistent with the Group's interests and are in a position to take or influence actions contrary to the Group's interests and plans, which may create impasses on decisions and affect the Group's ability to implement its strategies and/or dispose of the asset or entity;
- disputes develop between the Group and co-owners, with any litigation or arbitration resulting from any such disputes increasing expenses and distracting the Board and the Investment Manager from their other managerial tasks;
- co-owners do not have enough liquid assets to make cash advances that may be required in order to fund operations, maintenance and other expenses related to the relevant underlying Digital Infrastructure Asset which could result in the loss of income and may otherwise adversely affect the operation and maintenance of such underlying Digital Infrastructure Asset;
- a co-owner breaches agreements related to the underlying Digital Infrastructure Assets, which may cause a default under such agreements and result in liability for the Group;

- the Group may, in certain circumstances, be liable for the actions of co-owners; and
- a default by a co-owner constitutes a default under financing documents relating to the investment, which could result in a foreclosure and the loss of all or a substantial portion of the investment made by the Group.

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

In addition, in circumstances where the Group does not hold a controlling interest in the relevant Investee Company or Digital Infrastructure Asset it may, (i) have limited influence, or (ii) not be able to block certain decisions made collectively by the majority equity holders or senior lenders. This may result in decisions being made about the relevant investment that are not in the interests of the Group. In such circumstances, the Group will secure its shareholder rights through contractual and other arrangements, to, *inter alia*, ensure that the Investee Company or Digital Infrastructure Asset is operated and managed in a manner that is consistent with the Company's investment policy. However, this lack of control may have a significant impact and may have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

## **RISKS RELATING TO DIGITAL INFRASTRUCTURE ASSETS**

In order to achieve its investment objective, the Company will invest principally in Investee Companies that hold underlying operational Digital Infrastructure Assets, with a predominant focus on data centres, mobile telecommunications/broadcast towers and fibre-optic network assets. Each of these types of Digital Infrastructure Assets are exposed to different categories of risks.

### **DATA CENTRES**

#### ***Data centres are dependent on the technical and operational resilience of their infrastructure***

The Group intends to invest in Investee Companies that own and operate high-quality data centres with best-in-class operations.

The specific technical and operational risks in operating a data centre include, but are not limited to, power interruptions at the main grid level, failure of uninterruptible power supplies and/or backup power provided by generator sets (or flywheel systems) or external factors such as human error or severe climactic conditions. Whilst the management teams of the relevant Investee Companies will seek to manage such risks through detailed and structured operational procedures and maintenance programmes and appropriate method statements, this risk cannot be eliminated.

If a data centre owned by an Investee Company were to suffer a serious incident, be it due to equipment failure, human error or any other reason, this could have an impact on the operational track record and reputation of such Investee Company. Such an incident could harm its underlying tenants, reduce tenants' confidence in the services offered by the Investee Company, impair its ability to attract new underlying tenants and retain existing tenants, result in such Investee Company incurring financial obligations to its underlying tenants and could therefore have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

Further, the underlying customers of an Investee Company may increase their use of high-density servers, which will significantly increase the demand for power per customer and cooling requirements in the data centres owned by such Investee Company. This increased demand may exceed the current electrical power and cooling infrastructure capacity available in such Investee Company's data centres. Considering that electrical power infrastructure is typically one of the most important limiting factors in data centres, an Investee Company's ability to utilise fully the available capacity in its data centres is crucial as is the ability to secure sufficient power resources from third-party providers. If it cannot fully utilise available capacity and/or secure sufficient power resources, an Investee Company could suffer from a negative impact on the available effective capacity of its existing data centres and limit its ability to expand its business. Any failure by an electricity supplier to provide required power resources to an Investee Company's data centres could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The Group's data centres will depend upon the demand for space***

It is intended that the Group's underlying portfolio of data centre assets will consist of high quality data centre real estate designed for, and operated in accordance with, the needs of different data centre customer segments. A decrease in the demand for, for example, cloud computing services could result in diminished demand for so-called "hyperscale" data centres. At the macroeconomic level, any economic slowdown or adverse development could lead to reduced demand for data centre space. Reduced demand could also result from business relocations, including to markets in which the Group's Investee Companies do not currently own data centre assets.

Unexpected changes in industry practice or in technology could also reduce underlying customer demand for the physical data centre space which the Group's Investee Companies provide and render such data centre properties obsolete or in need of significant upgrades to remain viable. In addition, the development of new technologies, the adoption of new industry standards or other factors could render many of the products and services offered by the Group's Investee Companies obsolete or unmarketable and contribute to a downturn in businesses of underlying data centre tenants, thereby increasing the likelihood that they default under their leases, become insolvent or file for bankruptcy which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The Group's Investee Companies may depend on significant underlying tenants and will depend on such tenants or prospective customers generally to fulfil their contractual obligations.***

Investee Companies may be dependent on a number of significant corporate, government or "hyperscale" data centre tenants (typically defined as the largest cloud computing platforms, some e-commerce firms, so-called "over the top" entertainment and large software-as-a-service companies). Many factors may cause such underlying tenants to experience a downturn in their businesses or otherwise experience a lack of liquidity, which may weaken their financial condition and result in their failing to make timely rental payments or to defaulting under their leases. If any tenant defaults or fails to make timely rent payments, an Investee Company may experience delays in enforcing its rights, may not succeed in recovering rent at all and may incur substantial costs in protecting its investment. In addition, the Company's financial condition may suffer as a result of any failure to enforce or recover under any security granted to it (by way of parent company guarantee, bank guarantee, or otherwise) with respect to a tenant or prospective customer's obligations which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

In addition, such underlying data centre tenants may choose in the future to develop new data centres of their own or expand or consolidate into data centres that the Group's Investee Companies do not own or control. In the event that any of such key tenants were to do so, it could result in a loss of business for an Investee Company or put pressure on pricing. If an Investee Company were to lose a key tenant, no assurance can be given that it would be able to replace that tenant at a competitive rate or at all, which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The value of the Group's portfolio of underlying data centres assets will partly depend upon local economic conditions***

The Group intends to invest predominantly in Investee Companies and Digital Infrastructure Assets in the UK, the EEA, the United States of America and Canada and will be focused on acquiring exposure to data centres located in many of the principal metropolitan business, communications and internet hubs in those regions. Consequently, the Group will be exposed to the local economic conditions in these markets, including local real estate conditions. The data centre operations of Investee Companies may be affected if too many competing properties are built in any of these markets and supply increases or otherwise exceeds demand. The operations of the Group's Investee Companies and Group's returns derived from them could be materially adversely affected by local economic conditions in these markets, and no assurance can be given that these markets will grow with, or will remain exposed to, the prevailing growth drivers for outsourced data centres.

***The Group's Investee Companies may be unable to lease vacant space or renew leases as leases expire***

If the rental rates for the Group's underlying data centre assets decrease, if existing underlying tenants do not renew their leases or the renewal of any of its leases is on less favourable terms, if the Group's Investee Companies are not able to lease unoccupied space or if it takes longer to lease or re-lease unoccupied space or for rents to commence on this space, this could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The Group's data centres will be dependent on the adequate supply of electrical power and can be harmed by prolonged electrical power outages or increases in the cost of power***

The operation of data centres requires a substantial amount of power to be purchased from the grid. The Group cannot be certain that there will be adequate power in all of the markets in which its Investee Companies operate data centres. Such Investee Companies will rely on third parties to provide power to their data centres, and they will not be able to ensure that these third parties will deliver such power in adequate quantities or on a consistent basis. If the amount of power available to such Investee Companies is inadequate to support their requirements, they may be unable to satisfy their obligations to underlying tenants. Investee Companies will attempt to limit exposure to system downtime caused by power outages by using a combination of uninterruptible power supply (or UPS) systems and back-up power-generating systems. However, such Investee Companies may not be able to limit their exposure entirely even with these systems in place. It also cannot be guaranteed that, for example, the generators will always provide sufficient power or restore power in time to avoid loss of or damage to underlying tenants' equipment and the infrastructure owned by such Investee Companies.

Any temporary loss of, or reduction in, power at any of the data centres owned by the Group's Investee Companies could harm underlying tenants, reduce tenants' confidence in such Investee Company's data centre assets, or impair the ability of such Investee Company to retain existing tenants or attract new tenants. It could also result in such Investee Company incurring financial liabilities to its tenants, who may also seek damages from the Investee Company.

If an Investee Company is unable to utilise fully the physical space available within its data centres or expand its data centres due to restrictions on available electrical power or cooling, it will be unable to accept new customers or increase the services provided to existing customers, which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***An Investee Company could be subject to costs, as well as claims, litigation or other potential liability, in connection with risks associated with the security of its data centre assets***

There can be no assurance that the security of any data centres owned by an Investee Company will not be breached physically and the equipment and information of its underlying tenants' will not be put at risk. Any security breach could have a serious effect on an Investee Company's reputation and could lead to underlying tenants terminating their leases and seeking to recover losses suffered from such Investee Company, which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***An Investee Company may face risks relating to increasing ongoing operating costs of its data centres without corresponding increase in turnover or reimbursements from its tenants***

Factors which could increase the operating and other expenses of an Investee Company's data centre assets include: (i) increases in the rate of inflation; (ii) increases in staff, telecommunications and energy and utility costs; (iii) increases in property taxes and other statutory charges; (iv) increases in insurance premiums; (v) increases in the costs of maintaining properties; and (vi) failure to perform by sub-contractors leading to increases in operating costs. Such increases could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***An Investee Company's data centre assets may not be suitable for alternative use by tenants without significant expenditures or renovations***

An Investee Company's data centre assets will be bespoke real estate assets built to the structural, mechanical and engineering specifications required for the provision of highly resilient data centre power, cooling, security and dense connectivity. In the event of repurposing the use of the real estate, the Investee Company's data centres may not be suitable for lease without significant expenditure or renovation. As a result, such Investee Company may be required to invest significant amounts or offer significant discounts to tenants in order to lease or re-lease that space for an alternate use, either of which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***An Investee Company may face significant expenditure if a tenant fails to remove its equipment and restore its space to the original state***

Certain underlying tenants of an Investee Company (particularly hyperscale tenants) will have invested a significant amount in infrastructure within their data centre space. If such a tenant fails to restore its space to the original condition at the end of its lease term or if it becomes insolvent during its lease term and the Investee Company is unable to recoup the cost of restoring the space to a pre-let condition, such Investee Company will incur significant cost to make the space reusable for new tenants and lose out on the revenue from the space if it does not re-let it, which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***Future consolidation of multi-national data processing companies could materially adversely affect the Group's revenues from its data centre assets by eliminating some potential underlying tenants and could make the Group more dependent on a more limited number of underlying tenants***

Mergers or consolidations of multi-national web based firms, such as e-commerce platforms and software-as-a-service providers, in the future could reduce the number of underlying tenants and potential tenants of the Group's data centre assets. If underlying tenants were to merge with, or are acquired by, other entities that are not tenants of the Group's data centre assets, they may discontinue or reduce the use of the Group's data centres in the future. Any of these developments could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***Investee Companies will depend on third parties to provide connectivity to underlying tenants in their data centres and any delays or disruptions in this may materially adversely affect their operating results and cash flow***

Although the underlying data centre tenants of an Investee Company will be responsible for procuring their own connectivity, such Investee Company will depend upon the presence, capacity and diversity of multiple international and national telecommunications carriers which provide connectivity at its data centres in order to attract and retain tenants.

Any telecommunication carrier may elect not to offer or continue to offer its services within the relevant Investee Company's data centres. Further, as a result of strategic decisions or consolidations, some telecommunication carriers may be forced to downsize or terminate connectivity within an Investee Company's data centres, which could have an adverse effect on the business of such Investee Company's tenants and, in turn, its own operating results.

For new developments, the construction required to connect multiple telecommunication carrier facilities to the relevant Investee Company's data centres is complex and will involve factors outside of such Investee Company's control, including planning and regulatory requirements and the availability of construction resources. If the establishment of highly diverse connectivity to the Investee Company's data centres does not occur, is materially delayed, is discontinued, or is subject to failure, this could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The data centre industry has suffered from over-capacity in the past, and a substantial increase in the supply of new data centre capacity and/or a general decrease in demand for data centre services could have an adverse impact on industry pricing and profit margins***

The market for data centres is highly competitive. The Group will also compete against other carrier-neutral data centre service owners and operators and with other types of data centre providers, including carrier-operated colocation, IT outsourcers and managed services provider data centres. Colocation providers of data centre space could also change their business plan to compete with the Group directly or open new data centres, thus making large amounts of capacity available at a single point in time and facilitating the entry into the market or expansion of competitors.

Overall, the Group will face significant competition from current and future competitors. A substantial increase in the supply of new data centre capacity in the data centre market and/or a general decrease in demand, or in the rate of increase in demand, for data centre services could have an adverse impact on industry pricing and profit margins. If there is not sufficient demand for data centre services, the Group could suffer from downward pricing pressures and the loss of customers, this could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***If the Group does not keep pace with technological changes, evolving industry standards and tenant requirements, the Group's competitive position will suffer***

The IT and telecommunications industries that constitute the customer base for data centres are characterised by rapidly changing technology, evolving industry standards and changing tenant needs. Accordingly, the future success of the Group's data centre assets will depend, in part, on its ability to meet the challenge of these changes. Among the most important challenges that the Group and Investee Companies may face will be the need to continue to develop its strategic and technical expertise, influence and respond to emerging industry standards and other technological changes, enhance its current services and develop new services that meet changing tenant needs.

All of these challenges must be met in a timely and cost-effective manner. Some of the Group's competitors may have greater financial resources, which would allow them to react better or more quickly to changes than the Group may be able to. The Group may not effectively meet these challenges as rapidly as its competitors or at all and its failure to do so could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***Future technological development may disrupt the economics and infrastructure of data centres***

Although the Group will attempt to account for technological developments in its planning, the introduction of new technologies and their impact on data centres cannot be predicted with certainty. Technological developments may have a disruptive impact on the Group's data centre assets in a variety of ways, including, but not limited to:

- Reduced power requirements with the associated reduction in power utilisation, and the resulting revenues, of tenants. Potential technological developments include but are not limited to:
  - Power proportional computing. Software enhanced utilisation of power consumption to match actual server demand with power supply;
  - Low-power servers which will improve IT utilisation rates and reduce cooling requirements;
- Enhanced computing power with associated reduction in physical space and increased power density requirements. Potential technological developments include but are not limited to:
  - Silicon photonics. Microchip evolution which allows faster data transmission between and within microchips and increases compute capacity per square foot;
  - Flash storage. Improved efficiency and storage capacity of solid state servers could decrease the square footage of fitted space required to accommodate compute power;

- Reduced demand for outsourced, colocation data centre space given the availability of similarly resilient and secure shared space on cloud-based services housed in hyperscale data centres. Potential technological developments include but are not limited to:
  - Cloud level resiliency. Software enabled cloud environments for storing data could evolve and reduce the requirement for infrastructure based dedicated colocation data centre storage capacity;
- Increased supply of alternative data centre capacity with the associated impact on demand driven pricing. Potential technological developments include but are not limited to:
  - Prefabricated modular data centres. Self-contained, mass manufactured modular data centre halls which reduce the deployment risk and the time to market for new data centre space;
- Applications and management systems designed to optimise the management of new and existing data centres, thereby requiring investment and potential operational disruption for the Group to remain competitive. Potential technological developments include but are not limited to:
  - Advanced Data Centre Infrastructure Management. Software driven optimisation and automation of operating systems; and/or
- Demand for colocation data centre facilities may fall given improved ability to achieve synchronous replication over great distances. Potential developments include but are not limited to:
  - Improved technologies leading to improved performance in terms of distance limitations. In addition, as networks in outer regions improve connectivity to city centres through fibre rollout, the practical distance for synchronous replication will also increase.

If the Group is unable to provide for changes associated with demand shifts between types of data centres its Investee Companies may lose underlying tenants to its competitors. Integrating new data centre technologies may require significant expense and potential operational risk. The introduction of future technological development may have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***Laws and government regulations governing internet-related services, related communication services and information technology and electronic commerce, across the countries in which Group will invest, continue to evolve and, depending on the evolution of such regulations, may adversely affect its investments***

Laws and governmental regulations governing internet-related services, related communications services and information technology and electronic commerce continue to evolve. This is true across the various countries in which the Group's data centre assets may be located. In particular, the laws regarding privacy and those regarding gambling and other activities that certain countries deem illegal or otherwise regulate are continuing to evolve.

Changes in laws or regulations (or the interpretation of such laws or regulations) or national or EU policy affecting the Group's activities and/or those of tenants and competitors of its Investee Companies, including regulation of prices and interconnection arrangements, regulation of access arrangements to types of infrastructure, regulation of privacy requirements through the protection of personal data and regulation of activity considered illegal through rules affecting data centre providers could materially adversely affect the Company's results by decreasing revenue, increasing costs or impairing its ability to offer services.

To the extent that a Investee Company is required to be licensed to operate in a certain jurisdiction, non-compliance with, failure to obtain, or loss of such licence, could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

## **MOBILE TELECOMMUNICATIONS/BROADCAST TOWERS**

### ***Due to the long-term expectations of revenue from customer site contracts, the Group will be exposed to the creditworthiness and financial strength of underlying customers***

Due to the long-term nature of customer site contracts (usually 10 to 15 years with provision for subsequent multiple renewals), the Group, like other companies that invest into the mobile telecommunications/broadcast tower infrastructure industry, will be dependent on the continued viability of underlying customers. If the largest underlying customers or potential customers of the Group's Investee Companies are unable to generate sufficient cash flow or raise adequate capital to fund their business plans, they may reduce their capital spending, which could materially reduce and adversely affect demand for the Group's mobile telecommunications/broadcast tower sites which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

### ***A slowdown in the growth of, or a reduction in demand for, wireless communications services could adversely affect the demand for mobile telecommunications/broadcast tower sites and site space***

Demand for the Group's mobile telecommunications/broadcast towers will be dependent on demand for communications sites from wireless communications carriers, which, in turn, will be dependent on subscriber demand for wireless services. Most types of wireless services currently require ground-based network facilities, including communications sites for transmission and reception. Mobile telecommunications/broadcast tower sharing must continue to be seen by wireless telecommunications providers as a cost-effective way to satisfy their passive infrastructure needs. The extent to which wireless communications carriers lease such communications sites depends on a number of factors which will be beyond the Group's control, including the level of demand for such wireless services, the financial condition and access to capital of such carriers, the strategy of carriers with respect to owning or leasing communications sites, changes in telecommunications regulations and general economic conditions as well as geography and population density.

Additionally, government regulation can negatively affect the number of users of wireless services or the expansion plans of mobile network operators ("MNOs"), both of which could adversely affect the demand for telecommunication sites. Furthermore, government regulation may limit or prohibit MNOs using certain brands of technology in the development of their mobile communications networks, thereby causing changes to their supply chain and delays to their growth plans, which may impact the short-term demand for mobile telecommunications/broadcast towers. A slowdown in the growth of, or a reduction in demand for, wireless telecommunications services could adversely affect the demand for communications sites, which in turn could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

### ***Merger or consolidation among underlying customers of the Group's mobile telecommunications/broadcast towers could have a material and adverse effect on the Group's revenue and cash flow***

Significant consolidation among underlying customers of the Group's mobile telecommunications/broadcast towers could result in a change to such underlying customers' strategies and a reduction in the number of their base transmission sites and/or colocation requirements for the consolidated companies because certain base transmission sites may become redundant or additional site spaces may be gained in any consolidation. In addition, consolidation may result in a reduction in future capital expenditures in the aggregate if the expansion plans of the consolidated companies are overlapping.

As a result of such consolidation, such underlying customers could determine not to renew customer site contracts with an Investee Company. An underlying customer could also make a decision to discontinue operations in a given market and determine not to renew customer site contracts with the relevant Investee Company. If a significant number of such terminations occur as a result of industry consolidation or other changes in industry composition, it could materially and adversely affect the Group's revenue and cash flow, which in turn could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***Investee Companies will rely on third-party contractors for various services, and any disruption in or non-performance of those services would hinder an Investee Company's ability to effectively meet the expectations of its underlying customers and/or maintain its site infrastructure***

Investee Companies will engage third-party contractors to provide them with various services in connection with the power management, site acquisition, construction, access management, security and maintenance of sites. For example, an Investee Company will typically outsource power management, refurbishment, operations and maintenance, and security functions for certain of its mobile telecommunications/broadcast towers to contractors. Such Investee Company will be exposed to the risk that the services rendered by its third-party contractors will not always be satisfactory or match the Investee Company's and/or its underlying customers' targeted quality levels, standards and operational specifications. As a result, the Investee Company's underlying customers may be dissatisfied with such Investee Company's services and it may be required to pay service credits under its contracts, or its customers may terminate their master lease agreements in the event of a material breach, either of which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***Competition in the mobile telecommunications/broadcast tower industry may create pricing pressures***

The Investment Manager believes that large telecommunications operators tend not to lease extensively from their direct competitors because site location and investment in capacity are considered competitive advantages. A change in this policy or any other event, including regulatory action that increases colocation among major telecommunications operators, could result in increased competition for colocations.

Competitive pressures and the Group's failure to remain competitive could materially and adversely affect the underlying contract rates and services income generated by the Group's mobile telecommunications/broadcast towers, and could result in the underlying customers of the Group's Investee Companies not renewing their site contracts, or new customers contracting space on sites from MNOs or other independent mobile telecommunications/broadcast tower companies, and not from the Group's Investee Companies. Any of the foregoing factors could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***New technologies designed to enhance the efficiency of wireless networks and potential active sharing of the wireless spectrum could reduce the need for mobile telecommunications/broadcast tower-based wireless services and could make the Group's assets less desirable to or necessary for tenants and result in decreasing revenue***

The development and implementation of new technologies designed to enhance the efficiency of wireless networks or the implementation by MNOs of active sharing technologies could reduce the use of, and need for, mobile telecommunications/broadcast tower-based wireless transmission and reception services and could have the effect of decreasing demand for mobile telecommunications/broadcast tower space. Examples of such new technologies that may reduce the demand for mobile telecommunications/broadcast tower-based antenna space might include single antennae that can operate in multiple frequency bands, and spectrally efficient technologies, which could potentially relieve some network capacity problems, or complementary voice over internet protocol access technologies that could be used to offload a portion of subscriber traffic away from the traditional mobile telecommunications/broadcast tower-based networks onto fixed line networks where such fixed line network capacity exists, which would reduce the need for telecommunications operators to add more mobile telecommunications/broadcast tower-based antenna equipment at certain sites. MNOs in certain markets have implemented active sharing technologies in which MNOs share the wireless spectrum and, therefore, need fewer of their own antennae and less mobile telecommunications/broadcast tower space for such equipment. Moreover, the emergence of alternative technologies could reduce the need for mobile telecommunications/broadcast tower-based wireless services transmission and reception. For example, the growth in the delivery of wireless communication, radio and video services by direct broadcast satellites could materially and adversely affect demand for the Group's antenna space if such new technology were to gain scale and the end-user devices used to access the service were to become more affordable. As a result,

the development and implementation of alternative technologies to any significant degree could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***Investee Companies may experience local community opposition to some of its sites***

Investee Companies may experience, local community opposition to mobile telecommunications/broadcast tower sites for various reasons, including concerns about alleged health risks. While an Investee Company will typically be required by the permitting process to consult with communities before constructing new sites, as a result of such local community opposition, such Investee Company may not be granted a permit (and so may not be able to build) or could be required by the local authorities to dismantle and relocate certain sites. If an Investee Company is not granted permits in certain areas or is required to relocate a material number of its sites and cannot locate replacement sites that are acceptable to its underlying customers, such circumstances could materially and adversely affect the Group's revenue and cash flow, which in turn could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***FIBRE-OPTIC NETWORK ASSETS***

***The success of the Group's fibre-optic network assets will be dependent on establishing and maintaining relationships with underlying customers who can use its fibre-optic infrastructure***

The Group's fibre-optic network infrastructure will primarily be leased by corporate, telecommunications, data centre or government (national, regional or municipal) customers. However, many of these customers have existing relationships with other network providers. Although the Group will seek to acquire fibre-optic network assets that are attractive to the targeted customer set, if the Group is unable to secure satisfactory relationships with such underlying customers, on terms favourable to the Group, this could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

Moreover, customers (such as telecommunications operators) may in the future decide to provide their own infrastructure rather than relying, for example, on that of the Group, which would adversely affect the operations of the Group's Investee Companies. Any failure by Investee Company to establish and maintain relationships with relevant underlying customers could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The Group's fibre-optic network assets will be dependent upon the on-going maintenance, upgrading, and replacement of its network, components and facilities***

The Group's fibre-optic network assets will require the maintenance, upgrade and periodic replacement of facilities and networks to continue to function as expected in a cost-effective manner. This requires both management time as well as capital expenditure.

If there is damage to a network, an Investee Company will be required to incur expenses to repair the network which, depending on the issue, could be substantial. Furthermore, as an Investee Company's network elements become obsolete or reach their design life capacity, such Investee Company's operating and capital expenses could significantly increase depending on the nature and extent of repairs or replacements.

Additionally, the operation of a fibre-optic network requires the coordination of specialist hardware and software. Failure of an Investee Company to maintain or appropriately operate this could render a fibre-optic system unable to perform at design specifications, or at all, which could lead to further interruptions and impacts on business continuity, which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***Slow-down in demand for an Investee Company's fibre-optic network infrastructure may have an adverse impact on such Investee Company's operations***

Advances in the process of delivering ultrafast communications could allow an Investee Company's competitors to produce products and communications infrastructure faster and more efficiently, and at a substantially lower cost than such Investee Company. If the relevant Investee Company is

unable to adapt or incorporate technological advances into its fibre-optic operations, its offering could become less competitive, which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***An Investee Company's fibre-optic network assets may be subject to interruptions of service or performance problems***

Interruptions in service or performance problems, for whatever reason, could undermine confidence in an Investee Company's fibre-optic networks, damage its reputation and consequently limit its ability to retain existing customers or attract new customers. Such Investee Company's fibre-optic network assets may be subject to failure resulting from a variety of factors which may be under the Investee Company's control, including human error, equipment failure, power loss, failure of monitoring systems and maintenance activities, failure of services related to the internet and telecommunications provided by the Investee Company, physical or electronic security breaches, as well as factors not under the Investee Company's control, such as sabotage, vandalism, system failures of network service providers, fire, earthquake, flood and other natural disasters, water damage, fibre-optic cable cuts, power loss not caused by the Investee Company, improper building maintenance by the landlords of the buildings in which the equipment is located, and terrorism, any of which would adversely affect the Investee Company's ability to generate revenue and negatively impact its operating results.

In addition, because many of the Investee Company's services may be critical to its customers' businesses, a significant interruption in service could result in lost profits or other loss to customers. Although an Investee Company will attempt to disclaim liability for these losses in its service agreements, a court might not enforce a limitation on liability under certain conditions, which could expose the Investee Company to financial loss. In addition, an Investee Company may be required to provide customers with guaranteed service level commitments. If it is unable to meet these guaranteed service level commitments for whatever reason, such Investee Company may be obligated to provide its customers with credits, generally in the form of free service for a short period of time, which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

## **RISKS RELATING TO THE INVESTMENT MANAGER**

***Reliance on the Investment Manager***

Investor returns will be dependent upon the Company successfully pursuing its investment policy. The success of the Company will depend on the Investment Manager's ability to identify, acquire and realise investments in Investee Companies and Digital Infrastructure Assets in accordance with the Company's investment policy. This, in turn, will depend on the ability of the Investment Manager to identify and complete the purchase of suitable investments in Investee Companies and Digital Infrastructure Assets for the Group. There can be no assurance that the Investment Manager will be able to do so or that it will enable the Group to invest on attractive terms or generate any investment returns for Shareholders or avoid investment losses.

If the Investment Management Agreement is terminated, the Directors would have to find a replacement external investment manager for the Company and there can be no assurance that a replacement with the necessary skills and experience could be appointed on terms acceptable to the Company which may have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

In addition, if any event should occur within the Cordiant Group which materially adversely affects the perception of the Cordiant Group's brand, this may have an effect on the Company's share price by association, as the Company uses the "Cordiant" name.

***The loss of key members of the Digital Infrastructure Investment Team might have a negative impact on the Company's ability to achieve its investment objective***

The Company depends to a significant extent on the experience, diligence, skill and network of business contacts of the Digital Infrastructure Investment Team and the information and deal flow that they generate during the normal course of their activities. The key members of the Investment Manager's Digital Infrastructure Investment Team are Steven Marshall, Benn Mikula, Hagai Shilo and David Kippen (or such other person(s) as may be approved as a replacement by the Board (such approval not be unreasonably withheld) from time to time) (the "Key Persons") and in the event that

two or more of these individuals were to cease to be engaged by the Investment Manager and/or cease to be actively engaged in the performance of the management of the portfolio this may have a negative impact on the Company's ability to achieve its investment objective.

In addition, under the terms of the Investment Management Agreement, in the event that two or more of the Key Persons (provided at least one of such persons is either Steven Marshall or Benn Mikula, or an approved replacement) were to cease to be engaged by the Investment Manager and/or cease to be actively engaged in the performance of the management of the portfolio (a "**Key Person Event**") this would give rise to the right for the Company to terminate the Investment Management Agreement, save that the Investment Manager shall have the opportunity to nominate suitable replacements of the relevant Key Persons within 6 months of the occurrence of the Key Person Event, the approval of which replacements shall not be unreasonably withheld by the Board. Any such change in relation to the Digital Infrastructure Investment Team may have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The resources of the Investment Manager are not solely dedicated to activities in which the Group is engaged and the Investment Manager will allocate resources to activities in which the Group is not engaged, which might have a negative impact on the Company's ability to achieve its investment objective***

Although the Investment Manager is required under the Investment Management Agreement to ensure that sufficient resources are devoted to the management of the Company, the Investment Manager is not required to commit all of its resources (or ensure continuity of any of its resources or that any of its resources are solely dedicated) to the Group's affairs and may allocate its resources to other business activities. Insofar as the Investment Manager devotes resources to its responsibilities in relation to other business interests, its ability to devote resources and attention to the Group's affairs will be limited. This could adversely affect the Company's ability to achieve its investment objective, which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***The Investment Manager and its affiliates may provide services to other clients which could compete directly or indirectly with the activities of the Company and may be subject to conflicts of interest in respect of its activities on behalf of the Company***

The Investment Manager and its affiliates officers, employees and consultants are involved in other activities which may on occasion give rise to conflicts of interest in respect of their duties to the Company. In particular, the Investment Manager and its affiliates, officers, employees and consultants may from time to time act for other clients or manage or advise other funds, which may have similar investment objectives and policies to that of the Company. In accordance with the Investment Management Agreement, in the event of a conflict between the Company and the Investment Manager, the Investment Manager is obliged to take reasonable steps to ensure that the conflict is resolved fairly, in accordance (so far as applicable in the circumstances) with applicable rules. If these conflicts of interest are managed to the detriment of the Company by the Investment Manager, they could have a material adverse effect on the performance of the Company, the Net Asset Value and the price of the Shares.

***The Investment Manager's information and technology systems may be vulnerable to cyber security breaches and there is a risk of identity theft***

The Investment Manager's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorised persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, floods, hurricanes and earthquakes. Although the Investment Manager has implemented various measures to manage risks relating to these types of events, if the Investment Manager's information and technology systems are compromised, become inoperable for extended periods of time or cease to function properly, the Investment Manager may have to make a significant investment to fix or replace them. The failure for any reason of these systems and/or of disaster recovery plans could cause significant interruptions in the Investment Manager's and/or the Company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors. Such a failure could harm the Investment Manager's and/or the Company's reputation, subject any such

entity and their respective affiliates to legal claims and otherwise affect their business and financial performance. Any such harm suffered by, or legal action against, the Investment Manager may impair the ability of the Investment Manager to discharge its obligations under the Investment Management Agreement to a satisfactory standard, which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

## **RISKS RELATING TO REGULATION, TAXATION AND THE GROUP'S OPERATING ENVIRONMENT**

### ***The Group may be subject to certain epidemic-related risks, such as the coronavirus (COVID-19)***

The operation, maintenance and performance of Digital Infrastructure Assets in which the Group may invest, or acquire in the future, may be affected by the impact on the global economy and businesses that COVID-19 (or another pandemic or epidemic) is currently having or may have in the future. It is possible, for example, that the production and supply of equipment necessary in the construction or maintenance of Digital Infrastructure Assets could be delayed or could only be available at an increased cost, as competition and lack of availability drives prices up. In addition, contractors, developers or service providers used by the Group in connection with the operation and maintenance of its Digital Infrastructure Assets could be materially adversely affected as a result of a prolonged and significant continued outbreak of COVID-19, such as through restrictions on availability of the workforce of that entity or any sub-contractor employed by that entity. Furthermore, the business of underlying tenants and customers (on whom the Investee Companies relies to make payments in a timely manner) could suffer a downturn throughout a prolonged and significant outbreak of COVID-19, which may result in such underlying tenants or customers being unable to satisfy their payment obligations in a timely manner or at all, or affect an Investee Company's ability to secure new tenants and customers for Digital Infrastructure Assets undergoing expansion. Global capital markets have seen extreme volatility as COVID-19 continues to have a sustained impact on business across the world. Such volatility could have an impact on the liquidity of the Shares. Investors should be aware that if any of the global impacts of COVID-19 continue for a sustained period of time, and should any of the risks identified above materialise, it could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

### ***The sectors in which the Group intends to invest are subject to environmental and health and safety laws and regulations and may be subject to more stringent efficiency, environmental and health and safety laws and regulations in the future***

The Group and its Investee Companies will be subject to various environmental and health and safety laws and regulations, including those relating to the generation, storage, handling and disposal of hazardous substances and technological equipment, the maintenance of facilities, the generation and use of electricity and liability for historically contaminated land. Certain of these laws and regulations are capable of imposing liability for the cost of the investigation and remediation of contaminated sites on a strict causal basis, without regard to fault or the care taken in the disposal activity. Compliance with these laws and regulations could impose substantial ongoing compliance costs and operating restrictions on the Group and its Investee Companies which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

In addition, public perception of possible health risks associated with cellular and other wireless communications technology could slow the growth of wireless companies, which could adversely affect the businesses of the Group's Investee Companies. In particular, negative public perception of, and regulations regarding, these perceived health risks could undermine the market acceptance of wireless communications services and increase opposition to the development and expansion of Digital Infrastructure Asset sites, which could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

### ***Changes in laws or regulations governing the Company, the Investment Manager and their respective businesses may adversely affect the business and performance of the Company***

The Company and the Investment Manager are subject to laws and regulations enacted by national and local governments.

The Company will be required to comply with certain legal and regulatory requirements that are applicable to Guernsey-incorporated listed investment funds and UK investment trusts and investment companies whose shares are admitted to trading on the Specialist Fund Segment. The Investment Manager is subject to, and will be required to comply with, certain regulatory requirements set out in Canadian domestic legislation, rules and regulation, many of which could directly or indirectly affect the management of the Company.

The laws and regulations affecting the Company and the Investment Manager are evolving and any changes in such laws and regulations may have a material adverse effect on the ability of the Company and the Investment Manager to carry on their respective businesses. Any such changes could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

***Changes in taxation legislation or practice may adversely affect the Group and the tax treatment for Shareholders investing in the Company***

Any change in the Company's tax status, or in taxation legislation or practice in the United Kingdom, Guernsey or jurisdictions to which the Company has exposure through its Investee Companies, could adversely affect the value of investments in the Group's portfolio and the Company's ability to achieve its investment objective, or alter the post-tax returns to Shareholders. Statements in this document concerning the taxation of the Company and taxation of Shareholders are based upon current UK tax law and published practice, any aspect of which is in principle subject to change that could adversely affect the ability of the Company to pursue successfully its investment policy and/or which could adversely affect the taxation of the Company and the Shareholders.

Although the Company is incorporated in Guernsey, the Company will be resident in the UK for tax purposes. It is therefore the intention of the Directors to conduct the affairs of the Company so as to satisfy the conditions under sections 1158 to 1159 of the CTA 2010 and ongoing requirements under the Investment Trust (Approved Company) (Tax) Regulations 2011, for it to be approved by HMRC as an investment trust. In respect of each period for which the Company is an approved investment trust, the Company will be exempt from UK corporation tax on its chargeable gains and capital profits on loan relationships. The Company will also have access to an optional interest "streaming" regime which enables it to deduct from its taxable interest income the amount of dividend distributions to Shareholders that have been notionally designated as interest distributions. There is a risk that the Company, having received approval of its investment trust status from HMRC, fails to maintain its status as an investment trust. In such circumstances, the Company would be subject to the normal rates of corporation tax on chargeable gains and capital profits arising on the transfer or disposal of investments and other assets, and on interest income which could adversely affect the Company's financial performance, its ability to provide returns to its Shareholders or the post-tax returns received by its Shareholders. In addition, it is not possible to guarantee that the Company will remain a non-close company, which is a requirement to maintain investment trust status, as the Ordinary Shares and the C Shares are freely transferable. The Company, in the unlikely event that it becomes aware that it is a close company, or otherwise fails to meet the criteria for maintaining investment trust status, will, as soon as reasonably practicable, notify Shareholders of this fact.

Prospective investors should consult their tax advisers with respect to their particular tax situations and the tax effects of an investment in the Company.

***The Company and its Investee Companies may be subject to tax audits or other action by tax authorities***

The Company intends to invest in Investee Companies in a number of different jurisdictions and its investment returns are potentially subject to tax in multiple jurisdictions. The Company will regularly assess tax laws relating to it and its Investee Companies but cannot be certain of a tax authority's application and interpretation of tax law. The Company and its Investee Companies may be subject to tax audits. A challenge by a tax authority might require the relevant entity to incur costs in connection with litigation against the relevant tax authority or in reaching a settlement with the tax authority and, if the tax authority's challenge is successful, could result in additional taxes (perhaps together with interest and penalties) being assessed. The imposition of any such unanticipated taxes could materially reduce the Company's post-tax returns, which could have a material adverse effect on the performance of the Company and the value of the Shares.

***Changes in tax law and practice may have a material adverse effect on the Company's investments and, as a consequence, the Net Asset Value of the Company***

Financing structures of Digital Infrastructure companies or other entities are typically based on assumptions regarding prevailing taxation law and practice. Any change in such a company or entity's tax status or in tax legislation (including in relation to taxation rates) could adversely affect the investment return of such company or entity which could have a material adverse effect on the performance of the Company and the value of the Shares.

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

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

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

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

***Shareholders may be subject to withholding and forced transfers under FATCA and there may also be reporting of Shareholders under other exchange of information agreements***

The governments of the United States and the United Kingdom have entered into an intergovernmental agreement (the "**U.S. UK IGA**") related to implementing FATCA which has been implemented through the United Kingdom's domestic legislation. FATCA imposes certain information reporting requirements on a foreign financial institution ("**FFI**") or other non-U.S. entity and, in certain cases, U.S. federal withholding tax on certain U.S. source payments and gross proceeds from a sale of assets generating U.S. source payments. The Company is likely to be considered an FFI, and will therefore have to comply with certain registration and reporting requirements in order not to be subject to U.S. withholding tax under FATCA. In addition, the Company may be required to withhold U.S. tax at the rate of 30 per cent. on "withholdable payments" or certain "foreign passthru payments", to persons that are not compliant with FATCA or that do not provide the necessary information or documents, to the extent such payments are treated as attributable to certain U.S. source payments.

The United Kingdom has also implemented the Common Reporting Standard or "**CRS**" regime with effect from 1 January 2016. Accordingly, reporting in respect of periods commencing on or after 1 January 2016 is required in accordance with the CRS (as implemented in the United Kingdom).

Under the CRS and legislation enacted in the United Kingdom to implement the CRS, certain disclosure requirements are imposed in respect of certain investors who are, or are entities that are controlled by one or more natural persons who are, residents of any of the jurisdictions that have also adopted the CRS, unless a relevant exemption applies. Where applicable, information to be

disclosed will include certain information about investors, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Company. The CRS will be implemented through the United Kingdom's domestic legislation in accordance with guidance issued by the OECD as supplemented by guidance notes in the United Kingdom. Under the CRS, disclosure of information will be made to HMRC in the United Kingdom for transmission to the tax authorities in other participating jurisdictions.

The requirements under FATCA, the Common Reporting Standard and similar regimes and any related legislation, intergovernmental agreements and/or regulations may impose additional burdens and costs on the Company or Shareholders. There is no guarantee that the Company will be able to satisfy such obligations and any failure to comply may materially adversely affect the Company's financial condition, business prospects and results of operations and, consequently, the Company's Net Asset Value and/or the market price of the Shares and the Company's ability to deliver the target total returns to Shareholders. In addition, there can be no guarantee that any payments in respect of the Shares will not be subject to withholding tax under FATCA. To the extent that such withholding tax applies, the Company is not required to pay any additional amounts.

In subscribing for or acquiring Shares, each Shareholder is agreeing, upon the request of the Company or its delegates, to provide such information as is necessary to comply with FATCA, the Common Reporting Standard and other similar regimes and any related legislation and/or regulations. In particular, investors should be aware that certain forced transfer provisions contained in the Articles may apply in the case that the Company suffers any pecuniary disadvantage as a result of the Company's failure to comply with FATCA as a result of a Non-Qualified Holder failing to provide information as requested by the Company in accordance with the Articles.

Investors should consult with their respective tax advisers regarding the possible implications of FATCA, the Common Reporting Standard and similar regimes concerning the automatic exchange of information and any related legislation, intergovernmental agreements and/or regulations.

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

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

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

Under the Articles, the Directors have the power to require the sale or transfer of Shares, or refuse to register a transfer of Shares, in respect of any Non-Qualified Holder. In addition, the Directors may require the sale or transfer of Shares held or beneficially owned by any person who refuses to provide information or documentation to the Company which results in the Company suffering US tax withholding charges.

**RISKS RELATING TO THE ORDINARY SHARES AND C SHARES**

***General risks affecting the Ordinary Shares and C Shares***

The value of an investment in the Company, and the returns derived from it, if any, may go down as well as up and an investor may not get back the amount invested. The market price of the Ordinary Shares and C Shares, like shares in all investment companies, may fluctuate independently of the underlying Net Asset Value per Ordinary Share and the underlying Net Asset Value per C Share (as relevant) and may trade at a discount or premium to Net Asset Value per Ordinary Share or Net

Asset Value per C Share (as relevant) at different times, depending on factors such as supply and demand for the Ordinary Shares and/or C Shares, market conditions and general investor sentiment. There can be no guarantee that any discount control policy will be successful or capable of being implemented. The market value of an Ordinary Share and/or a C Share may vary considerably from the Net Asset Value per Ordinary Share and the Net Asset Value per C Share (as relevant).

***It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Ordinary Shares and/or C Shares***

The price at which the Ordinary Shares or C Shares will be traded and the price at which investors may realise their investment will be influenced by a large number of factors, some specific to the Company and its investments and some which may affect companies generally. Initial Admission and any subsequent Admission should not be taken as implying that there will be a liquid market for the Ordinary Shares and/or the C Shares. Consequently, the share price may be subject to greater fluctuation on small volumes of trading of Ordinary Shares or C Shares and the Ordinary Shares or C Shares may be difficult to sell at a particular price. The market price of the Ordinary Shares or C Shares may not reflect the underlying Net Asset Value per Ordinary Share or underlying Net Asset Value per C Share (as relevant).

While the Directors retain the right to effect repurchases of Ordinary Shares, they are under no obligation to use such powers or to do so at any time and Shareholders should not place any reliance on the willingness of the Directors so to act. Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Shares in the market. There can be no guarantee that a liquid market in the Ordinary Shares and/or the C Shares will develop or that the Ordinary Shares and/or the C Shares will trade at prices close to the underlying Net Asset Value per Ordinary Share or underlying Net Asset Value per C Share (as relevant). Accordingly, Shareholders may be unable to realise their investment at such Net Asset Value per Ordinary Share, Net Asset Value per C Share or at all.

The number of Ordinary Shares and/or C Shares to be issued pursuant to the Initial Issue and the Placing Programme is not yet known, and there may be a limited number of holders of Ordinary Shares and/or C Shares. Limited numbers and/or holders of Ordinary Shares and/or C Shares may mean that there is limited liquidity in the Ordinary Shares and/or C Shares which may affect: (i) an investor's ability to realise some or all of his/her investment; and/or (ii) the price at which such investor can effect such realisation; and/or (iii) the price at which such Ordinary Shares and/or C Shares trade in the secondary market.

***Each class of Ordinary Shares or C Shares may have a higher concentration of investments than the investment limits set out in the Company's investment policy***

Each class of Ordinary Shares or C Shares will form a separate pool of assets and liabilities. In the case of each class of C Shares, it will remain a separate class of shares from the Ordinary Shares until Conversion.

Each class of C Shares will form a separate underlying pool of assets and liabilities from other classes of C Shares. The investment restrictions set out in the Company's investment policy, however, are measured against the gross assets of the Company as a whole without regard to which class of Ordinary Shares or C Shares they are attributable to. Consequently, a class of Ordinary Shares or C Shares may have a greater concentration in the assets attributable to that class of Ordinary Shares or C Shares than the investment limits set out in the Company's investment policy until all classes of C Shares issued under the Placing Programme have been converted into Ordinary Shares. This may result in a disproportionately large impact on one class of Shares over other classes of Shares.

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

The Company may seek to issue new Ordinary Shares in the future and there are no provisions of Guernsey law which confer rights of pre-emption in respect of the issue of Ordinary Shares. While the Articles contain pre-emption rights for Shareholders in relation to issues of Ordinary Shares in consideration for cash, such rights can be disapplied. Where pre-emption rights are disapplied (and they have been disapplied in respect of the issue of Ordinary Shares pursuant to the Initial Issue and the Placing Programme), any additional issue of Ordinary Shares will be dilutive to the voting

interests of those Shareholders who cannot, or choose not to, participate in such issue of Ordinary Shares.

***Future sales of Ordinary Shares could cause the market price of the Ordinary Shares to fall***

Sales of Ordinary Shares or interests in the Ordinary Shares by significant investors could depress the market price of the Ordinary Shares. A substantial number of Ordinary Shares being sold, or the perception that sales of this type could occur, could also depress the market price of the Ordinary Shares. Both scenarios, occurring either individually or collectively, may make it more difficult for Shareholders to sell the Ordinary Shares at a time and price that they deem appropriate.

***Rights of Subscription Shares on liquidation***

In the event of the winding up of the Company prior to the exercise of the Subscription Rights, Subscription Shareholders may receive a payment out of the assets which would otherwise be available for distribution amongst the Ordinary Shareholders.

***The exercise of Subscription Rights may lead to the dilution of existing holdings of Ordinary Shareholders***

The allotment of the Subscription Shares will mean that the equivalent of 12.5 per cent. of the Company's issued Ordinary Share capital is under option immediately following the Initial Issue. On each occasion the Subscription Rights are exercised this will dilute the ordinary shareholding and hence the voting rights of any Ordinary Shareholders who do not exercise a corresponding proportion of the Subscription Rights attaching to their Subscription Shares or who have sold their Subscription Shares. However, if a Shareholder continues to hold the Subscription Shares issued to him pursuant to the Initial Issue and exercises his Subscription Rights before their expiry, that Shareholder's percentage interest in the Ordinary Share capital of the Company will not ultimately be reduced below his percentage interest in the Ordinary Share capital of the Company immediately prior to the Initial Issue.

The extent of such dilution will depend on the number of Subscription Shares which are converted on each occasion and the difference between the Subscription Price and the Net Asset Value per Ordinary Share prevailing at the time the new Ordinary Shares are issued pursuant to the exercise of the Subscription Rights. The perceived risk of dilution may cause the market price of the Ordinary Shares to reflect a lesser sensitivity to increases in the Net Asset Value per Ordinary Share than might otherwise be expected.

**RISKS RELATING TO THE SUBSCRIPTION SHARES (IN ADDITION TO THOSE RELATING TO THE ORDINARY SHARES)**

***The Subscription Shares may expire worthless***

The Subscription Shares will have a limited life and will expire following the Final Subscription Date. After this date, Subscription Shares can no longer be traded or exercised. Holders of Subscription Shares should note that Subscription Shares experience time decay or erosion of their value over time throughout their life. This rate of decay accelerates as the Subscription Shares near expiry and the Subscription Shares may expire worthless.

***An active and liquid trading market for those Subscription Shares may not develop***

There has not been an active market for the Subscription Shares. The Company will apply for the Subscription Shares to be admitted to trading on the Specialist Fund Segment. The Company cannot predict the extent to which investor interest will lead to the development of an active and liquid trading market for those Subscription Shares or, if such a market develops, whether it will be maintained.

The Company cannot predict the effects on the price of the Subscription Shares if a liquid and active trading market for those Subscription Shares does not develop. In addition, if such a market does not develop, relatively small sales may have a significant negative impact on the price of the Subscription Shares, and sales of a significant number of those Subscription Shares may be difficult to execute at a stable price.

The market price of the Subscription Shares may rise or fall rapidly. Holders of Subscription Shares should carefully consider, among other things, the following factors before dealing in Subscription Shares:

- the prevailing trading price of the Subscription Shares;
- the Subscription Price;
- the value and volatility of the underlying Ordinary Shares;
- the time remaining to the Final Subscription Date;
- the liquidity of the underlying Ordinary Shares;
- any related transaction costs; and
- the Company's creditworthiness.

***Shareholders in certain jurisdictions may not be able to exercise Subscription Rights***

The Ordinary Shares are not, and the Subscription Shares will not be, registered under the U.S. Securities Act, and the Company has not been, and will not be, registered under the U.S. Investment Company Act. Restricted Persons will not be able to exercise Subscription Rights. In particular, Shareholders that are US Persons or are located in the United States will not be able to exercise Subscription Rights, unless they are Permitted U.S. Persons.

**RISKS RELATING TO ALL CLASSES OF SHARES**

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

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

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

## IMPORTANT INFORMATION

### GENERAL

No person has been authorised by the Company to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of Shares other than those contained in this document and any supplementary prospectus published by the Company prior to Initial Admission (in the case of the Initial Issue) or the relevant Admission of any Shares issued pursuant to a Subsequent Placing under the Placing Programme and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company, the Investment Manager or Investec. Without prejudice to the Company's obligations under the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation and MAR, neither the delivery of this document nor any subscription for, or purchase of, Shares pursuant to the Initial Issue and/or the Placing Programme, under any circumstances, creates any implication that there has been no change in the affairs of the Company since, or that the information contained herein is correct at any time subsequent to, the date of this document.

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

This document should be read in its entirety before making any application for Shares. All Shareholders are entitled to the benefit of and are bound by and are deemed to have notice of, the provisions of the Articles.

This document does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction: (i) in which such offer or solicitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or solicitation. The distribution of this document and the offering of 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.

**An investment in the Shares should constitute part of a diversified investment portfolio. The Specialist Fund Segment is only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in securities traded on the Specialist Fund Segment is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment portfolio. Investors in the Company are expected to be institutional investors, professional investors, professionally advised investors and knowledgeable investors who understand, or who have been advised of, the potential risks from investing in the Company. It should be remembered that the price of the Shares can go down as well as up.**

### GUERNSEY REGULATORY INFORMATION

The Company is registered with the GFSC as a registered closed-ended collective investment scheme pursuant to the POI Law and the RCIS Rules.

The Directors have taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. All the Directors accept responsibility accordingly.

If you are in any doubt about the contents of this document you should consult your accountant, legal or professional adviser or financial adviser.

Each of the Administrator, the Registrar and the Receiving Agent has certain responsibilities under the AML Legislation to verify the identity of investors. Failure to provide the necessary documentation may result in applications being rejected or in delays in the dispatch of documents under the Initial Issue or the Placing Programme.

#### **FOR THE ATTENTION OF UNITED STATES RESIDENTS**

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

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

#### **ENFORCEABILITY OF CIVIL LIABILITIES**

The enforcement by investors of civil liabilities under the US federal securities laws may be affected adversely by the following:

- The Company is organised under the laws of Guernsey.
- The Company's directors and officers may be residents of jurisdictions outside the United States.
- All or a substantial portion of the Company's assets may be located outside the United States.

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

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

#### **FOR THE ATTENTION OF UNITED KINGDOM INVESTORS**

No Shares have been offered or will be offered pursuant to the Initial Issue or the Placing Programme to the public in the United Kingdom prior to the publication of a prospectus in relation to the Shares which has been approved by the Financial Conduct Authority, except that the Shares may be offered to the public in the United Kingdom at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of Investec for any such offer; or
- (c) in any other circumstances falling within Section 86 of the FSMA.

provided that no such offer of the Shares shall require the Company to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. For the purposes of this provision, the expression "an offer to the public" in

relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

In addition, Shares will only be offered to the extent that the Shares are permitted to be marketed in the UK pursuant to the UK AIFM Regime.

Notwithstanding the foregoing, as the Shares will be admitted to the Specialist Fund Segment, the Shares are intended for institutional, professional, professionally advised and knowledgeable investors who understand, or who have been advised of, the potential risk from investing in companies admitted to the Specialist Fund Segment.

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

In relation to each Member State of the European Economic Area (each a “**Relevant State**”), no Shares have been offered or will be offered pursuant to the Initial Issue or the Placing Programme to the public in that Relevant State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the EEA Prospectus Regulation, except that the Shares may be offered to the public in that Relevant State at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the EEA Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the EEA Prospectus Regulation), subject to obtaining the prior consent of Investec for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the EEA Prospectus Regulation,

provided that no such offer of the Shares shall require the Company to publish a prospectus pursuant to Article 3 of the EEA Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EEA Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to the Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, and the expression “EEA Prospectus Regulation” means Regulation (EU) 2017/1129.

In addition, Shares will only be offered to the extent that the Shares are permitted to be marketed in the Relevant State pursuant to the EU AIFM Directive or can otherwise be lawfully offered or sold (including on the basis of an unsolicited request from a professional investor).

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

The Initial Issue and Placing Programme is available, and is and may be made, and is being provided in or from within the Bailiwick of Guernsey only:

- by persons licensed to do so (or permitted by way of exemption granted) by the GFSC under the POI Law; or
- to persons licensed under the POI Law, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 by non-Guernsey bodies who: (i) carry on such promotion in a manner in which they are permitted to carry on promotion in or from within, and under the law of certain designated countries or territories which, in the opinion of the GFSC, afford adequate protection to investors; and (ii) meet the criteria specified in section 29(1)(cc) of the POI Law; or
- as otherwise permitted by the GFSC.

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

The Initial Issue and Placing Programme and this document are not available in or from within the Bailiwick of Guernsey other than in accordance with the above paragraphs and must not be relied upon by any person unless made or received in accordance with such paragraphs.

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

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

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

The Initial Issue and/or any Subsequent Placing is available, and is and may be made, in or from within the Isle of Man and this document is being provided in or from within the Isle of Man only:

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

The Initial Issue and/or any Subsequent Placing referred to in this document and this document are not available in or from within the Isle of Man other than in accordance with the above paragraphs and must not be relied upon by any person unless made or received in accordance with such paragraphs.

#### **NOTICE TO PROSPECTIVE INVESTORS IN IRELAND**

The Shares will not be offered, sold, placed or underwritten in Ireland pursuant to the Initial Issue and/or any Subsequent Placing (a) except in circumstances which do not require the publication of a prospectus pursuant to the Irish Companies Act 2014, the European Union (Prospectus) Regulations 2019 (S.I. No. 380/2019)), as amended and any rules issued by the Central Bank of Ireland pursuant thereto; (b) otherwise than in compliance with the provisions of the Irish Companies Act 2014; (c) otherwise than in compliance with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017, and the bookrunner(s) and any introducer appointed by the Company will conduct themselves in accordance with any codes or rules of conduct and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank of Ireland with respect to anything done by them in relation to the Company; (d) otherwise than in compliance with the provisions of the European Union (Market Abuse) Regulations 2016 and any rules issued by the Central Bank of Ireland pursuant thereto; and (e) except to professional investors as defined in the EU AIFM Directive and otherwise in accordance with the EU AIFM Directive, Commission Delegated Regulation 231/2013, the Irish European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I. no 257 of 2013), as amended, and any rules issued by the Central Bank of Ireland pursuant thereto.

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

The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions.

## **INFORMATION TO DISTRIBUTORS**

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

Notwithstanding the Target Market Assessment, distributors should note that: (a) the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; (b) an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom, and (c) the Shares will be admitted to the Specialist Fund Segment, which is intended for institutional, professional, professionally advised and knowledgeable investors who understand, or who have been advised of, the potential risk from investing in companies admitted to the Specialist Fund Segment. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Initial Issue and/or Subsequent Placings. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Investec will only procure investors who meet the criteria of professional clients and eligible counterparties.

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

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

## **PRIIPS REGULATION**

In accordance with the PRIIPs Regulation, Key Information Documents in respect of the Ordinary Shares and the Subscription Shares have been prepared by the Investment Manager and are available to investors at [www.cordiantdigitaltrust.com](http://www.cordiantdigitaltrust.com). If any C Shares are offered pursuant to the Placing Programme, a Key Information Document in respect of such C Shares will be prepared by the Investment Manager and will be available to investors at [www.cordiantdigitaltrust.com](http://www.cordiantdigitaltrust.com). If you are distributing the Ordinary Shares or any C Shares, it is your responsibility to ensure that the relevant Key Information Document is provided to any clients that are "retail clients" pursuant to the PRIIPs Regulation.

The Investment Manager is the only manufacturer of the Shares for the purposes of the PRIIPs Regulation and Investec is not a manufacturer for these purposes. Investec makes no representations, express or implied, or accepts any responsibility whatsoever for the contents of any Key Information Documents prepared by the Investment Manager nor accepts any responsibility to update the contents of any Key Information Documents in accordance with the PRIIPs Regulation, to undertake any review processes in relation thereto or to provide such Key Information Documents to future distributors of Shares. Investec and its affiliates accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it or they might have in respect of any Key Information Documents prepared by the Investment Manager.

## **DATA PROTECTION**

The information that a prospective investor in the Company provides in documents in relation to a subscription for Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual (“**personal data**”) will be held and processed by the Company (and any third party in Guernsey or the United Kingdom to whom it may delegate certain administrative functions in relation to the Company) in compliance with: (i) the relevant DP Legislation and regulatory requirements applicable in Guernsey and/or the United Kingdom as appropriate; and (ii) the Company’s privacy notice, a copy of which is available for consultation on the Company’s website at [www.cordiantdigitaltrust.com](http://www.cordiantdigitaltrust.com) (“**Privacy Notice**”) (and if applicable any other third party delegate’s privacy notice).

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

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

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

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

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

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

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

## **PRESENTATION OF FINANCIAL INFORMATION**

The Company is newly formed and as at the date of this document has not commenced operations and has no assets or liabilities which will be material in the context of the Initial Issue and, therefore, no financial statements have been prepared as at the date of this document. All future financial information for the Company will be prepared under IFRS.

Certain financial and statistical information contained in this document has been rounded to the nearest whole number or the nearest decimal place. Therefore, the actual arithmetic total of the numbers in a column or row in a certain table may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this document reflect

calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

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

Market and economic data used throughout this document is sourced from various independent sources. The Company confirms that such data has been accurately reproduced and, so far as the Company 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 “£”, “pence” or “GBP” are to the lawful currency of the UK, all references in this document to “Euro” or “€” are to the currency adopted by those nations participating in the third stage of the economic and monetary union provisions of the Treaty on European Union, signed at Maastricht on 7 February 1992 and all references in this document to “US\$” are to the lawful currency of the United States.

## **DEFINITIONS**

Capitalised terms contained in this document shall have the meanings ascribed to them in Part 10 (Glossary of Relevant Terms) and Part 11 (Definitions) of this document, save where the context indicates otherwise.

## **EUROPEAN UNION LEGISLATION**

If and when a European Union instrument is incorporated into the law of the United Kingdom, a reference to that European Union instrument in this document shall, except where the context requires otherwise, mean the European Union instrument as so incorporated and any enactment, statutory provision or subordinate legislation that from time to time (with or without modifications) re-enacts, replaces or consolidates it for the purposes of the law of the United Kingdom.

## **WEBSITES**

Without limitation, neither the contents of the Company’s or the Investment Manager’s website (or any other website) nor the content of any website accessible from hyperlinks on the Company’s or the Investment Manager’s website (or any other website) is incorporated into, or forms part of this document, or has been approved by the FCA. Investors should base their decision whether or not to invest in the Shares on the contents of this document and any supplementary prospectus published by the Company prior to Initial Admission (in the case of the Initial Issue) or the relevant Admission of any Shares issued pursuant to a Subsequent Placing under the Placing Programme alone.

## **GOVERNING LAW**

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

## **FORWARD LOOKING STATEMENTS**

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

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward looking statements. These forward looking statements speak only as at the date of this document. Subject to its legal and regulatory obligations (including under the Prospectus Regulation Rules), the Company expressly disclaims any obligations to update or revise any forward

looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based unless required to do so by law or any appropriate regulatory authority, including FSMA, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation and MAR.

Nothing in the preceding two paragraphs should be taken as limiting the working capital statement in paragraph 8 of Part 8 of this document.

## VOLUNTARY COMPLIANCE WITH THE LISTING RULES

The Listing Rules applicable to closed-ended investment companies which are listed on the premium listing segment of the Official List of the FCA do not apply to the Company. The Company is subject to the Admission and Disclosure Standards whilst traded on the Specialist Fund Segment. In addition, the Directors have resolved that, as a matter of best practice and good corporate governance, the Company will voluntarily comply with the following key provisions of the Listing Rules:

- the Company is not required to comply with the Listing Principles set out at Chapter 7 of the Listing Rules and Premium Listing Principles. Nonetheless, the Company will comply with these Listing Principles and Premium Listing Principles;
- the Company is not required to appoint a listing sponsor under Chapter 8 of the Listing Rules. It has appointed Investec as its financial adviser to guide the Company in understanding and meeting its responsibilities in connection with Initial Admission;
- the Company is not required to comply with the provisions of Chapter 9 of the Listing Rules regarding continuing obligations. The Company will comply with the following provisions of Chapter 9 of the Listing Rules: (i) Listing Rule 9.3 (Continuing obligations: holders); (ii) Listing Rule 9.5 (Transactions); (iii) Listing Rule 9.6.4 to Listing Rule 9.6.21 other than Listing Rule 9.6.19(2) and Listing Rule 9.6.19(3) (Notifications); (iv) Listing Rule 9.7A (Preliminary statement of annual results and statement of dividends); and (v) Listing Rule 9.8 (Annual financial report);
- the Company is not required to comply with the provisions of Chapter 11 of the Listing Rules regarding related party transactions. The Company will adopt a related party policy (in relation to which Investec as financial adviser, will guide the Company) which shall apply to any transaction which it may enter into with any Director, the Investment Manager or a substantial shareholder which would constitute a “related party transaction” as defined in, and to which would apply, Chapter 11 of the Listing Rules. In accordance with its related party policy, the Company shall not enter into any such related party transaction without first obtaining: (i) the approval of a majority of the Directors who are independent of the relevant related party; and (ii) a fairness opinion or third-party valuation (as appropriate) in respect of such related party transaction from an appropriately qualified independent adviser. This policy may only be modified with Shareholder approval. In particular, (a) transactions or arrangements of the nature set out in Listing Rule 11.1.5(2) (i.e. co-investments or the joint provision of finance); or (b) issues of new securities in, or a sale of treasury shares of, the Company to “substantial shareholders” pursuant to an offer to the public or a placing, on materially similar terms to those applicable to other subscribers or purchasers under such offer or placing shall not be considered “related party transactions”;
- the Company is not required to comply with the provisions of Chapter 12 of the Listing Rules (Dealing in own securities and treasury shares). Nonetheless, the Company has adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2;
- the Company is not required to comply with the provisions of Chapter 13 of the Listing Rules regarding the contents of circulars. The Company however will comply with the following provisions of Chapter 13 of the Listing Rules: (i) Listing Rule 13.3 (Contents of all circulars); (ii) Listing Rule 13.7 (Circulars about purchase of own equity shares); and (v) Listing Rule 13.8 (Other circulars); and
- the Company is not required to comply with the provisions of Chapter 15 of the Listing Rules (Closed-Ended Investment Funds: premium listing). Nonetheless, the Company will comply with the following provisions of Chapter 15 of the Listing Rules: (i) Listing Rule 15.4.2 to Listing Rule 15.4.11 (Continuing obligations) (other than Listing Rule 15.4.8(2) and, in respect of Listing Rule 15.4.2(1), only once the Initial Net Proceeds have been fully invested); (ii) Listing Rule 15.5 (other than Listing Rule 15.5.3 as the Company has adopted its own related party policy as noted above) (Transactions); and (iii) Listing Rule 15.6 (Notifications and periodic financial information) (as modified above).

**Specialist Fund Segment securities are not admitted to the Official List. Therefore, the Company has not been required to satisfy the eligibility criteria for admission to listing on**

the Official List and is not required to comply with the Listing Rules. The London Stock Exchange has not examined or approved the contents of this document.

It should be noted that the FCA does not have the authority to monitor the Company's voluntary compliance with the Listing Rules applicable to closed-ended investment companies which are admitted to trading on the Specialist Fund Segment nor will it impose sanctions in respect of any failure of such compliance by the Company.

FCA-authorized firms conducting designated investment business with retail customers under COB Rules are reminded that securities admitted to trading on the Specialist Fund Segment will be securities that may have characteristics such as: (i) variable levels of secondary market liquidity; (ii) sophisticated corporate structures; (iii) highly leveraged structures; and (iv) sophisticated investment propositions with concentrated risks and are therefore intended for institutional, professional and knowledgeable investors.

## EXPECTED TIMETABLE

### Expected Initial Issue Timetable

Publication of this document and Initial Placing and Offer for Subscription open	29 January 2021
Latest time and date for applications under the Offer for Subscription	11.00 a.m. on 12 February 2021
Latest time and date for receipt of commitments under the Initial Placing	12.00 noon on 12 February 2021
Announcement of the results of the Initial Issue	15 February 2021
Initial Admission and dealings in the Ordinary Shares and Subscription Shares issued pursuant to the Initial Issue commence	8.00 a.m. on 16 February 2021
Crediting of CREST stock accounts in respect of the Ordinary Shares and Subscription Shares issued pursuant to the Initial Issue	16 February 2021
Where applicable, definitive share certificates despatched in respect of the Ordinary Shares and Subscription Shares	week commencing 22 February 2021 (or as soon as possible thereafter)

### Expected Placing Programme Timetable

Placing Programme opens	16 February 2021
Announcement of the results of each Subsequent Placing	as soon as practicable after the closing of each Subsequent Placing
Admission and crediting of CREST stock accounts in respect of each Subsequent Placing	as soon as practicable after the closing of each Subsequent Placing
Where applicable, definitive share certificates despatched in respect of Shares issued pursuant to each Subsequent Placing	approximately one week after the Admission of Shares pursuant to a Subsequent Placing
Placing Programme closes and last date for Shares to be issued pursuant to the Placing Programme	28 January 2022

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

## INITIAL ISSUE AND PLACING PROGRAMME STATISTICS

### Initial Issue Statistics

Issue Price per Ordinary Share	100 pence
Target number of new Ordinary Shares being issued	300 million
Target number of Subscription Shares being issued*	37.5 million
Initial Gross Proceeds*	£300 million
Estimated Initial Net Proceeds*	£294 million
Estimated Net Asset Value per Ordinary Share at Initial Admission*	98 pence

*\*Assuming Initial Gross Proceeds of £300 million. The Company is targeting Initial Gross Proceeds of £300 million subject to a maximum of £500 million. The Minimum Gross Proceeds are £150 million (or such lesser amount as the Company, the Investment Manager, and Investec agree). The number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Initial Gross Proceeds and the Initial Net Proceeds of the Initial Issue, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service prior to Initial Admission. If the Initial Issue does not proceed (because the Minimum Gross Proceeds (or such lesser amount as the Company, the Investment Manager and Investec agree) are not raised or otherwise), subscription monies received will be returned without interest (at the risk of the applicant) to the applicant from whom the money was received, within 14 calendar days. In the event that such dates change, the Company will notify investors who have applied for Ordinary Shares of changes to the timetable either by post, by electronic mail or by the publication of a notice through a Regulatory Information Service. Under the Subscription Share Issue, Subscription Shares will be issued for nil consideration to the basis of 1 Subscription Share for every 8 Ordinary Shares subscribed in the Initial Issue.*

### Placing Programme Statistics

Maximum size of the Placing Programme	500 million Shares
Minimum Placing Programme Price in respect of Ordinary Shares	at least estimated Net Asset Value per Ordinary Share plus a premium intended to at least cover the costs and expenses of such issue (including, without limitation, any placing commissions)
Placing Programme Price in respect of C Shares	100 pence

## DEALING CODES

The dealing codes for the Ordinary Shares will be as follows:

ISIN	GG00BMC7TM77
SEDOL	BMC7TM7
Ticker	CORD

The dealing codes for the C Shares will be as follows:

ISIN	GG00BMC7TN84
SEDOL	BMC7TN8
Ticker	CCRD

The dealing codes for the Subscription Shares will be as follows:

ISIN	GG00BMDGQT90
SEDOL	BMDGQT9
Ticker	CSRD

## DIRECTORS, MANAGEMENT AND ADVISERS

<b>Directors (all non-executive)</b>	Shonaid Jemmett-Page ( <i>Chairman</i> ) Sian Hill Marten Pieters Simon Pitcher  all of the registered office below:
<b>Registered Office</b>	2nd Floor Trafalgar Court Les Banques Guernsey GY1 4LY
<b>Investment Manager</b>	Cordiant Capital Inc. 28 <sup>th</sup> Floor Bank of Nova Scotia Tower 1002 Sherbrooke Street West Montreal, QC H3A 3L6 Canada
<b>Administrator and Company Secretary</b>	Ocorian Administration (Guernsey) Limited 2nd Floor Trafalgar Court Les Banques Guernsey GY1 4LY
<b>Financial Adviser, Global Coordinator and Sole Bookrunner</b>	Investec Bank plc 30 Gresham Street London EC2V 7QP
<b>Solicitors to the Company as to English law</b>	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
<b>Solicitors to the Company as to Guernsey law</b>	Carey Olsen (Guernsey) LLP Carey House Les Banques Guernsey GY1 4BZ
<b>Solicitors to the Financial Adviser, Global Coordinator and Sole Bookrunner</b>	Norton Rose Fulbright LLP 3 More London Riverside London SE1 2AQ
<b>Registrar</b>	Computershare Investor Services (Guernsey) Limited 1st Floor Tudor House Le Bordage St Peter Port Guernsey GY1 1DB
<b>Receiving Agent</b>	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6AH

**Reporting Accountants**

Ernst & Young LLP  
1 More London Place  
London  
SE1 2AF

**Auditor**

BDO Limited  
P O Box 180  
Place du Pré  
Rue du Pré  
St Peter Port  
Guernsey  
GY1 3LL

**Principal Bankers**

The Royal Bank Of Scotland International Limited  
Royal Bank Place  
1 Gategny Esplanade  
St Peter Port  
Guernsey  
GY1 4BQ

## PART 1

### INFORMATION ON THE COMPANY

#### 1 INTRODUCTION

Cordiant Digital Infrastructure Limited is a newly incorporated non-cellular Guernsey company limited by shares and is registered with the GFSC as a registered closed-ended collective investment scheme pursuant to the POI Law and the RCIS Rules. The Company intends to be UK resident for taxation purposes and to carry on business as an investment trust within the meaning of Section 1158 of CTA 2010.

The Company's investment objective is to seek to generate attractive total returns for Shareholders over the longer term, comprising capital growth and a progressive dividend through investment in Digital Infrastructure Assets, with a predominant focus on data centres, mobile telecommunications/broadcast towers and fibre-optic network assets.

The Company is targeting an issue of 300 million Ordinary Shares pursuant to the Initial Issue (comprising the Initial Placing and the Offer for Subscription) and intends to invest the proceeds of the Initial Issue in accordance with the Company's investment objective and investment policy. Placees and subscribers in the Initial Issue will also be issued, for nil value, one Subscription Share for every eight Ordinary Shares subscribed in the Initial Issue. Each Subscription Share will entitle the holder to subscribe for one Ordinary Share at the applicable Subscription Price on a Subscription Date.

The Company has an independent board of non-executive directors and has engaged Cordiant Capital Inc. as the Company's investment manager to provide portfolio and risk management services to the Company.

Cordiant Capital Inc. is a sector-focused investment manager investing in global infrastructure and real assets, running infrastructure private equity, infrastructure private credit and real assets partnerships and managed accounts. Founded in 1999 and investing on behalf of institutional clients, the Cordiant Group seeks to generate attractive and uncorrelated returns within the specific risk and return parameters of each strategy. The Cordiant Group has offices in London, Luxembourg, Montreal (headquarters) and São Paulo. The Cordiant Group has individual origination team members in the UK, the EU, North America, Istanbul and Singapore. As at 31 December 2020, the Cordiant Group managed funds with committed capital of approximately US\$2 billion. The Cordiant Group has particular experience and expertise in Digital Infrastructure with a dedicated sector team concentrated in London and with additional team members in Montreal and the EU.

The Cordiant Group together with members of its management and employees intend to invest, in aggregate, £1,190,000 in the Initial Issue.

Application will be made to the London Stock Exchange for all of the Ordinary Shares and Subscription Shares (issued and to be issued pursuant to the Initial Issue) to be admitted to trading on the Specialist Fund Segment of the Main Market. It is expected that Initial Admission will become effective, and that dealings in the Ordinary Shares and Subscription Shares issued pursuant to the Initial Issue will commence, at 8.00 a.m. on 16 February 2021.

The Company is regulated by the GFSC but is not regulated by the FCA or any other regulatory authority but will, following Initial Admission, be subject to the Admission and Disclosure Standards and certain of the Disclosure Guidance and Transparency Rules. The Company has also resolved to voluntarily comply with certain of the Listing Rules, as described in the section entitled "Voluntary Compliance with the Listing Rules" of this document.

The Directors' intention in the medium term is to move the Company to the premium listing segment of the Official List should the Directors consider at that time that such a move would be in the best interests of the Company and Shareholders as a whole. Admission to the premium listing segment of the Official List would be subject to an eligibility review by the FCA at that time.

## 2 INVESTMENT OBJECTIVE AND INVESTMENT POLICY

The Company's investment objective and investment policy are set out below.

### ***Investment Objective***

The Company will seek to generate attractive total returns (on a risk adjusted basis) for Shareholders over the longer term, comprising capital growth and a progressive dividend, through investment in Digital Infrastructure Assets.

### ***Investment Policy***

The Company will invest principally in operating Digital Infrastructure Assets, with a predominant focus on data centres, mobile telecommunications/broadcast towers and fibre-optic network assets, primarily located in the UK, the EEA, the United States of America and Canada.

The Company will seek to acquire or construct operating, cash flow generating Digital Infrastructure Assets (either individually or by acquiring entities owning portfolios of such assets), with a view to generating returns through: (a) contracted escalators, (b) increasing the tenanted use of such Digital Infrastructure Assets; (c) adding additional capacity to such Digital Infrastructure Assets; (d) driving operational improvements; and (e) achieving operational synergies with other Digital Infrastructure Assets already held within the portfolio.

Diversification within the Company's investment portfolio will be achieved by:

- (i) investing in a range of individual underlying Digital Infrastructure Assets, each of which will be capable of separate disposal;
- (ii) investing in different types of Digital Infrastructure Assets;
- (iii) gaining exposure at the Investee Company or asset level to a range of different underlying lessees, counterparties and customers;
- (iv) contracting at the Investee Company or asset level with a range of different project developers and service providers; and
- (v) achieving a geographic spread across the underlying Digital Infrastructure Assets.

There will be no operation of a common treasury function between the Company and any of its Digital Infrastructure Assets.

Investments in Digital Infrastructure Assets will be made principally through equity, or through structures having equity-like characteristics and control features (such as convertible instruments or structured debt) and will typically entail 100 per cent. ownership or majority control by the Company (either directly or indirectly). The Group may, however, enter into joint venture arrangements alongside one or more co-investors where the Investment Manager, in consultation with the Board, believes it is in the Group's best interests to do so (such as where an investment opportunity is too large for the resources of the Group on its own, to share risk or where a joint venture arrangement will optimise returns for the Company). In the case of such co-investments, the Group will target retaining a control position, where this is possible, or, where this is not possible, will have strong minority investor protections, governance rights and board representation.

The Group's Digital Infrastructure Assets will generally be held through group holding companies and vehicles which may have separate embedded management teams who are responsible for the day-to-day operational management of individual assets or groups of assets. Digital Infrastructure Assets grouped together under the management of any particular embedded management team in order to maximise economies of scale and operational efficiencies will be characterised as a "Platform".

Regardless of the operational grouping of assets into separate Platforms, each Digital Infrastructure Asset will be capable of individual disposal.

### *Investment restrictions*

The Company will invest and manage its assets with the objective of spreading risk and, in doing so, will maintain the following investment restrictions:

- no single Digital Infrastructure Asset will represent more than 20 per cent. of Gross Asset Value;
- no more than 15 per cent. of Gross Asset Value will be invested, in aggregate, in Digital Infrastructure Assets located in countries outside the United Kingdom, the EEA, the United States of America and Canada;
- the maximum exposure to Digital Infrastructure Assets in the Development Phase will not exceed, in aggregate, 10 per cent. of Gross Asset Value; and
- the maximum exposure to Digital Infrastructure Assets in the Development Phase and Construction Phase will not exceed, in aggregate, 30 per cent. of Gross Asset Value.

Each individual underlying data centre, mobile telecommunications/broadcast tower or segment of a fibre-optic network held within the portfolio will constitute a separate Digital Infrastructure Asset for the purposes of the above investment restrictions and the investment policy generally.

It is expected that the Company will predominantly invest in unquoted assets. However, in exceptional circumstances, the Company may also invest in listed entities owning Digital Infrastructure Assets and may maintain this investment if such entities subsequently cease to be listed, provided that the Investment Manager considers that such an investment is (and continues to be) consistent with the Company's investment objective. The Company will, in any case, invest no more than 15 per cent. of its total gross assets in other investment companies or investment trusts which are listed on the Official List.

The investment restrictions set out above apply following full investment of the Initial Net Proceeds and following the Company becoming substantially geared (meaning for this purpose borrowings by way of long-term structural debt of 30 per cent. of Gross Asset Value being put in place).

In addition, in circumstances in which the Group does not wholly-own an investment, the investment restrictions set out above will be applied *pro rata* by reference to the proportionate value of the Group's interest in such investment.

Compliance with the above investment restrictions will be measured at the time of investment and non-compliance resulting from changes in the price or value of assets following investment will not be considered a breach of the investment restrictions.

### *Gearing*

The Group may employ gearing for working capital purposes, to finance acquisitions or, over the longer term, to enhance returns to investors.

Gearing may be employed either at the level of the Company, at the level of any intermediate wholly-owned subsidiary of the Company or at the individual Investee Company or asset level, and any limits set out in this document shall apply on a look-through basis. The Group's long-term gearing is expected to be between 20 per cent. and 35 per cent. of Gross Asset Value, and shall not exceed a maximum of 50 per cent. of Gross Asset Value, calculated at the time of drawdown.

In addition to such long-term gearing, the Company may also use gearing on a short-term basis, principally to finance the acquisition of assets provided that: (i) this short-term gearing shall not exceed 30 per cent. of Net Asset Value calculated at the time of drawdown, and (ii) it is intended to refinance such short-term borrowings at the earliest appropriate opportunity through the proceeds of further equity issuances by the Company.

The use and structure of gearing will be determined by, *inter alia*, the cash flow profile of each investment, the diversification of the overall asset portfolio and the availability of financing on attractive terms.

Debt may be secured with or without a charge over some or all of the Group's assets, depending on the optimal structure for the Group and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles. Intra-group debt between the Company and subsidiaries will not be included in the definition of borrowings for these purposes.

#### *Hedging and Derivatives*

The Group may borrow in currencies other than Sterling as part of its currency hedging strategy.

Derivatives will not be used for investment purposes.

The Group may enter into hedging contracts (in particular, in respect of inflation, interest rate or currency hedging) and other derivative contracts for the purposes of efficient portfolio management. No hedging transactions will be undertaken for speculative purposes.

#### *Cash management*

The Company may hold cash on deposit for working capital purposes and while awaiting investment and, as well as cash deposits, may invest in cash equivalent investments, which may include government issued treasury bills, money market collective investment schemes, other money market instruments and short-term investments in money market type funds ("**Cash and Cash Equivalents**"). There is no restriction on the amount of Cash and Cash Equivalents that the Company may hold and there may be times when it is appropriate for the Company to have a significant Cash and Cash Equivalents position.

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

Any material change to the Company's investment policy set out above will require the approval of Shareholders by way of an ordinary resolution at a general meeting.

In the event of a breach of the investment guidelines and/or the investment restrictions set out above, the Investment Manager shall inform the Board as soon as practicable upon becoming aware of that breach. If the Board considers the breach to be material, notification will be made through an announcement via a Regulatory Information Service.

### **3 COMPETITIVE ADVANTAGES**

The Directors believe that the Company has several competitive advantages including:

- **Operating experience of the Investment Manager in the sector.** Under the leadership of Steven Marshall, the Company will be able to deploy hands-on operating experience in the management and development of Digital Infrastructure Assets. Benn Mikula also brings extensive board level experience in the data centre and cloud computing sector.
- **Investing experience in the sector.** The Investment Manager's Digital Infrastructure Investment Team is comprised of executives with long experience in the sector. The team is cohesive, with key individuals having worked together prior to joining the Investment Manager.
- **Current investments.** The Cordiant Group's current Digital Infrastructure investments include successes in some of the most challenging markets in the world as well as current portfolio exposure to two of the nations leading the development of 5G (Fifth Generation) networks: the USA and China. These lessons can positively influence investment decision-making for the Company.
- **Entry and exit experience.** The Investment Manager's Digital Infrastructure Investment Team collectively (as investors, advisers and principals) has experience with over US\$80 billion of relevant buy- and sell- side transactions in the Digital Infrastructure and other sectors over the past 25 years.
- **Sector insights.** The Investment Manager's Digital Infrastructure Investment Team has, on average, over 20 years' experience each in the Digital Infrastructure, communications technology and Internet sectors. Informed by frequent conversations with network

engineers, boards of directors, strategists, consultants and engineers, the Company will be able to draw on well-reasoned perspectives on tele-geography and the evolving contours of network- and cloud- design.

- **Network.** The broad industry network and relationships of the senior team of the Investment Manager's Digital Infrastructure Investment Team will assist in bringing investment opportunities to the Company. Many of these are expected to be proprietary or off-market in nature.
- **Middle market specialist focus.** Large private equity funds and publicly-listed strategic investors generally seek deals of €0.5 – €1 billion or more. In contrast, the Company will seek to buy and build smaller platforms that can be acquired at lower multiples and where capital growth can further reduce the blended entry multiple. The Directors believe the Company is an attractive acquirer due to its sector expertise and longer investment time horizon than a traditional generalist private equity infrastructure fund.
- **Institutional firm.** The Investment Manager not only brings sector expertise, but also a 20-year legacy of successfully managing investment mandates for sophisticated institutional investors.

#### 4 INVESTMENT STRATEGY

The Company intends to capitalise on the surge in the growth in data consumption and traffic which is, based on current data traffic patterns and trends, set to provide an economic "tailwind" which the Investment Manager believes could last for a decade or more.

This data traffic growth will have the consequence of requiring more Digital Infrastructure to carry it. The most efficient way for this growth to be funded is for the users, telecommunications operators, corporations, cloud computing companies, governments and others, to purchase space on shared Digital Infrastructure platforms from providers such as the Company.

Digital Infrastructure Assets exhibit a number of attractive investment features which drive value growth including; recurring long-term contracts (often with built in escalator clauses) with predictable cashflows, limited obsolescence risk and location-based barriers to entry.

The Company's Platform investment strategy will enable it to secure economies of scale, operating efficiency, asset quality control and strategic clarity in each of its areas of operation. A data centre Platform, for example, could encompass a dozen data centres providing the portfolio with both diversification and the benefits of centralised management of critical functions such as technical support, maintenance and sales.

Each of the Platforms will have dedicated underlying management teams focused on activities that include (but are not limited to) marketing, sales, technical operations and maintenance and financial management. The Company may seek to find operating synergies (such as maintenance) across Platforms as this would, where practicable, boost Shareholder returns. These dedicated operating teams will be essential to maximising the performance of the Company's Digital Infrastructure Assets.

The Company will invest principally in operational Digital Infrastructure Assets, with a predominant focus on:

- *data centres* – edge, colocation, interconnectivity, carrier hotels or hyperscale;
- *mobile telecommunications/broadcast towers* – including digital antenna systems (or DAS), broadcast towers, rooftops, small cells and in-building systems and other related infrastructure; and
- *fibre-optic assets and networks* – municipal, metro, data centre connectivity and long-haul regional, international and sub-sea networks.

The Company intends to hold its Digital Infrastructure Assets over the long term. However, the Company may choose to sell an asset or Platform of assets, on an opportunistic basis if there is an attractive offer from a buyer, and consequently redeploy capital on an asset or Platform basis to seek to augment Shareholder returns. Surplus capital not required for distributions will likewise be reinvested in new assets to support Net Asset Value growth.

The Company will focus on investment in mature developed markets which nonetheless still offer attractive rates of data traffic growth, and where the Digital Infrastructure Investment Team has demonstrated operating expertise, with the aim of achieving a long-term balance between North America and Europe. Although there is no present intention to deploy currency hedging in the short term, as the Company's portfolio matures it is likely to be considered in order to reduce income volatility.

Diversification will be achieved at the underlying asset level and between groupings of Digital Infrastructure Assets in a Platform. For example, a data centre Platform might contain ten assets whilst a tower Platform could house hundreds. Diversification will also be achieved by contracting with, wherever possible, multiple clients/customers for each Digital Infrastructure Asset.

The intention will be to secure long-term diversification between different types of Digital Infrastructure Assets, but concentration in specific geographies or sub-sectors may occur as a result of the Investment Manager's judgment of the relative attractiveness of investment opportunities in this dynamic market. The Digital Infrastructure Investment Team will deploy its knowledge of evolving communications networks and tele-geography to seek to ensure that the Platforms and the relevant Digital Infrastructure Assets are best-positioned for success.

In addition, Digital Infrastructure Assets such as fibre-optic networks and data centres may require purchase of specific equipment (such as fibre, electrical switchgear, uninterruptible power supply and so forth). The Company will seek to secure the appropriate equipment to meet customer quality of service requirements whilst avoiding undue dependence on any given equipment supplier.

The Company will seek to achieve growth in the value of its Platforms through several drivers of returns:

**Base contracted cash flows:** This is the return generated through the existing cash flows of Digital Infrastructure Assets.

**Organic growth:** Most long-term contracts in the Digital Infrastructure sector benefit from annual price escalator clauses. In addition, most clients at existing facilities purchase additional capacity each year to accommodate growth (that this hypothesis will hold true for the future is supported by robust traffic growth forecasts from the International Telecommunications Union and others). For example, a carrier might add more 4G antennas or 5G antennas to meet additional coverage or capacity requirements. Historically, carriers have sometimes taken substantial amounts of time to decommission antennae supporting older generation technologies (for example, 2G, 3G and 4G) as these continue to support services and handsets reliant on these older technology standards. Moreover, in many instances, the carrier is committed to long term lease contracts with the company operating the mobile towers. In the tower market, for example, capturing this demand for additional capacity, whilst also deploying asset management initiatives specific to the asset, can contribute to above-market price growth.

**Growth capital expenditure:** This can take several forms, but broadly speaking it may involve expanding existing facilities (adding square footage to a data centre or extending a fibre network) or building new, complementary facilities (adding new towers to an existing network or building a data centre in a new city to extend an edge strategy). Growth capital expenditure would be driven by having secured an anchor tenant. These facilities are added at construction cost and over time should benefit from the value gap between construction cost and "market" EV/EBITDA valuation multiples.

**New customers:** The Investment Manager believes that the combination of capital, industry skills and new capabilities will enhance the ability of portfolio Platforms to secure new customers, driving new sales and increased cash flows.

**Financial leverage:** The Company will make use of leverage in line with industry norms.

**Bolt-on acquisitions:** A well-organised acquisition programme can provide additional impetus to both achieving scale and margin growth if it focuses on smaller or less mature asset platforms that can be “bolted on” at attractive acquisition prices. In addition, developer financing programs can be used to stimulate third party construction activities, resulting in future acquisition opportunities.

**Multiple expansion:** An investment thesis of the Investment Manager is that smaller Digital Infrastructure groups (those with enterprise values of less than €500 million) frequently command lower multiples than larger groups. It is furthermore possible that, as these smaller investment opportunities grow in size (organically, though capital expenditures at construction cost and through bolt-on acquisitions), this discount will narrow as these investments may have become of greater interest to strategic buyers and larger infrastructure funds. However, multiple expansion is not a core assumption of the Company’s investment strategy and is not presented as a core driver of return expectations.

### **Network neutrality**

Another key element in the Company’s investment strategy is ensuring that its Digital Infrastructure Assets offer network neutral solutions when appropriate (obviously this is not the case when leasing a data centre campus to cloud providers that in turn serve hundreds or thousands of customers from the facility in question).

Current traffic patterns (for example the high rates of growth posted by leading telecoms operators and hyperscalers in their recent financial filings) suggest that the need for network neutral Digital Infrastructure will remain robust. This is particularly true in regards to the looming, costly need for carriers to invest in 5G spectrum, 5G networks and evolving customer service demands. This applies equally in urban centres as well as suburban and rural areas. To date the majority of capital investment has been heavily weighted towards investing in urban telecoms networks, though changing working patterns as a result of the COVID-19 pandemic may alter this.

The “REIT-isation” of network neutral towers, fibre and data centres was pioneered in the United States but is not yet as well developed a trend in Europe. The Investment Manager’s Digital Infrastructure Investment Team has deep experience and knowledge of this process; this will allow the Investment Manager to deploy an in-depth practitioner’s understanding of these trends and utilise them to identify the soundest business models and management teams, and engage meaningfully in a dialogue about strategy, capital structure and market trends.

## **5 ESG**

The Company will seek to: (1) base investing activities on a diligent environmental, social and governance (ESG) analysis, and (2) provide measurable impact investing benefits to Shareholders.

The targeted impact investing benefits (defined as having the intention of generating positive environmental or social benefits alongside the achievement of investment returns) include:

- bridging the digital divide (one of the United Nations Sustainable Development Goals or “SDGs”) through improved communications over higher quality Digital Infrastructure;
- bringing connectivity to under-served regions; and
- reducing the carbon footprint of the data economy (in particular through reducing power consumption at data centres and stressing the use of renewable power by such facilities).

The Cordiant Group has had a long focus on integrating ESG factors into its investment analysis. It was an early signatory of the United Nations PRI (Principles for Responsible Investing) and subsequently based its ESG analysis on the relevant standards developed by the World Bank’s IFC subsidiary (these standards being considered best in class by many observers in the industry).

In terms of impact investing, the Cordiant Group is a member of the Global Impact Investing Network (“GIIN”), a forum of leading asset management and financial firms to share best practice in this area. Furthermore, the Cordiant Group was a founding signatory of the World

Bank/IFC Operating Principles for Impact Management (“**IFC Impact Principles**”). This is significant because the IFC arranges for an independent, third party audit of the impact investing practices and performance of signatories (of which the Investment Manager is, at the time of writing, one of 106 signatories).

Amongst other things, Digital Infrastructure enables communications (such as Zoom/Microsoft Teams and other systems) that can substantially reduce the requirement to travel, which in turn reduces emission by road and/or air.

Carbon reduction strategies of the Company will (given the relatively benign carbon footprint characteristics of fibre optic cable and mobile telecommunications/broadcast towers) focus predominantly on the greenhouse gas footprint of data centres. This can be done through two broad types of initiative.

First, there can be a focus on enhancing operational efficiencies and reducing the amount of electricity consumed. For example, the power utilisation efficiency ratios of data centres can be improved through deploying techniques such as free air cooling and hot aisle/cold aisle containments.

Second, the Investment Manager will focus on data centres located in regions with abundant, low-cost renewable power from hydroelectric sources. (Hydroelectricity offers the benefit of permanent generating capacity: something solar energy, for example, does not provide). Regions of this type include Scandinavia, Québec and the Pacific Northwest of the United States and Canada.

The Company’s ESG and impact investing actions will be governed by the Cordiant Group’s “Responsible Investing Policy”.

## **6 DIVIDEND POLICY AND TARGET RETURNS**

Whilst not forming part of the Company’s investment policy, the Company intends to pay dividends on a semi-annual basis with dividends typically declared in respect of the six-month periods ending 31 March and 30 September and paid in July and December, respectively.

The Company is targeting an initial dividend of 1 penny per Ordinary Share in the first full financial year (the “**First Dividend**”), rising to 2-3 pence per Ordinary Share in the second full financial year and, thereafter, a progressive dividend, rising to at least 4 pence per Ordinary Share in the fifth full financial year.

In respect of the target dividend in the first full financial year, the Company is targeting a first interim dividend of 0.5 pence per Ordinary Share in respect of the period from Initial Admission to 30 September 2021 and a second interim dividend of 0.5 pence per Ordinary Share in respect of the period from 1 October 2021 to 31 March 2022, payable in December 2021 and July 2022 respectively.

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

If any C Shares are issued, holders of any class of C Shares following Initial Admission will be entitled to participate in any dividends and distributions of the Company as the Directors may resolve to pay to holders of that class of C Shares out of the assets attributable to that class of C Shares. For the avoidance of doubt, the targets set out above shall not apply with respect to any tranche of C Shares prior to conversion into Ordinary Shares. No dividends are payable in relation to the Subscription Shares.

Dividends and distributions on Ordinary Shares (or C Shares) will be declared and paid in Sterling.

Further, the Company is targeting a NAV Total Return of at least 9 per cent. per annum following full investment of the Initial Net Proceeds and associated gearing.

The dividend and return targets stated above are targets only and not a profit forecast. There can be no assurance that these targets will be met, and they should not be taken as an indication of the Company's expected future results. The Company's actual returns will depend upon a number of factors, including but not limited to the size of the Initial Issue and the Placing Programme, the Company's net income and level of ongoing charges. Accordingly, potential investors should not place any reliance on these targets in deciding whether or not to invest in the Company and should decide for themselves whether or not the target dividend and target NAV Total Return are reasonable or achievable.

Investors should note that references in this document to "dividends" and "distributions" are intended to cover both dividend income and income which is designated as an interest distribution for UK tax purposes and therefore subject to the interest streaming regime applicable to investment trusts.

Dividends will be subject to compliance with the solvency test prescribed by Guernsey law.

In accordance with regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011, the Company will not (except to the extent permitted by those regulations) retain more than 15 per cent. of its income (as calculated for UK tax purposes) in respect of an accounting period.

## 7 NET ASSET VALUE

The Net Asset Value is the value of all assets of the Company less its liabilities to creditors (including provisions for such liabilities) determined by the Investment Manager in accordance with the Articles.

### ***Publication of Net Asset Value per Ordinary Share (and Net Asset Value per C Share, where applicable)***

The unaudited Net Asset Value will be calculated in Sterling by the Administrator on a semi-annual basis, as described below and based on valuations provided by the Investment Manager. The Net Asset Value per Ordinary Share (and Net Asset Value per C Share, where applicable), calculated by dividing the relevant Net Asset Value by the number of Ordinary Shares (or C Shares, where applicable) in issue (excluding Ordinary Shares (or C Shares, where applicable) held in treasury), will be published via an RIS and made available on the Company's website as soon as practicable thereafter.

### ***Valuation Methodologies***

The Board has delegated responsibility for carrying out the fair valuation of the Company's portfolio to the Investment Manager, which will then be presented to the Board for its approval and adoption. The valuation will be carried out on a six-monthly basis at 30 September and 31 March (being the financial year end) each year and will be reported to Shareholders in the annual report and interim financial statements. At least annually, the valuation will be reviewed by an independent third party valuer.

Investments are reported at the Board's estimate of fair value at the reporting date in compliance with IFRS 13 Fair Value Measurement. Fair value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date". The fair value of the Company's investments in Digital Infrastructure Assets will be calculated in accordance with IPEV (International Private Equity and Venture Capital) valuation guidelines.

Under IPEV guidelines, the fair value of unquoted investments can be calculated using a number of approaches, broadly categorised under three headings:

**Income Approach:** Also referred to as the discounted cash flow approach. Under this approach, the fair value for each investment is, and will be, derived from the present value of the investment's expected future cash flows, using reasonable assumptions and forecasts, and an appropriate discount rate. The Investment Manager will exercise its judgment in assessing the expected future cash flows from each investment. This approach is expected to be the primary basis for valuation.

**Market Approach:** Also referred to as a multiples approach. This approach typically involves the application of an appropriate multiple to a performance measure (such as EBITDA or revenue) of the Investee Company in order to derive a fair value for the investment.

**Replacement Cost Approach:** Also referred to as the net assets approach. This approach involves deriving the value of an Investee Company by reference to the value of its net assets (on a fair value basis).

In line with the Market Approach, where a Company investment is a quoted security, the fair value of these investments will be determined using the closing bid price at the reporting date. However, the Investment Manager does not expect the Company to invest in quoted securities.

All valuations made by the Investment Manager will be made, in part, on valuation information provided by Investee Companies and reviewed and subject to approval by the Board. Although the Investment Manager will evaluate all such information and data, it may not be able to confirm the completeness, genuineness or accuracy of such information or data. In addition, the financial reports provided by the Investee Companies may be provided only on a quarterly or half yearly basis and generally will be issued one to four months after their respective valuation dates. Consequently, each half yearly Net Asset Value is likely to contain information that may be out of date and require updating and completing. Shareholders should bear in mind that the actual Net Asset Values at such time may be materially different from these half yearly valuations.

#### ***Suspension of the calculation of the Net Asset Value***

The calculation of the Net Asset Value (and Net Asset Value per Ordinary Share and Net Asset Value per C Share, as applicable) will only be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained or in other circumstances (such as a systems failure of the Administrator) which prevents the Administrator from making such calculations. Details of any suspension in making such calculations will be announced through an RIS as soon as practicable after any such suspension occurs.

## **8 REPORTS, ACCOUNTS AND MEETINGS**

The audited accounts of the Company will be prepared in Sterling under IFRS. The Company's annual report and accounts will be prepared up to 31 March each year, with the first accounting period of the Company ending on 31 March 2022. It is expected that copies of the report and accounts will be published by the end of June each year and copies sent to Shareholders. The Company will also publish an unaudited half-yearly report covering the six months to 30 September each year, which is expected to be published within the following three months. The first financial information that the Company will publish will be the half-yearly report for the period ending on 30 September 2021 (covering the period from incorporation of the Company).

The financial report and accounts and unaudited half-yearly report, once published, will be available for inspection at the Company's registered office and on the Company's website ([www.cordiantdigitaltrust.com](http://www.cordiantdigitaltrust.com)).

Any ongoing disclosures required to be made to Shareholders pursuant to the UK AIFM Regime and/or the EU AIFM Directive will (where applicable) be contained in the Company's half-yearly or annual reports or on the Company's website, or will be communicated to Shareholders in written form as required.

All general meetings will be held in the UK. The Company will hold its first annual general meeting by 4 July 2022 and will hold an annual general meeting each year thereafter. Other general meetings may be convened from time to time by the Directors by sending notices to Shareholders.

## 9 SHARE CAPITAL MANAGEMENT

### ***Premium Management***

Once the Initial Net Proceeds of the Initial Issue have been fully invested, the Company intends to implement the Placing Programme. In addition to raising capital, Shares may be issued pursuant to the Placing Programme or otherwise to seek to manage the premium to Net Asset Value per Ordinary Share (or Net Asset Value per C Share, as relevant) at which the Ordinary Shares or C Shares trade. The Directors may issue, in aggregate, up to 500 million Shares (being Ordinary Shares and/or C Shares) pursuant to the Placing Programme. Shareholders' pre-emption rights over this unissued share capital have been disapplied so that the Directors will not be obliged to offer any new Shares under the Placing Programme to Shareholders *pro rata* to their existing holdings; this ensures that the Company retains full flexibility, following Initial Admission, in issuing new Shares to investors. The minimum price at which Ordinary Shares may be issued is the prevailing estimated Net Asset Value per Ordinary Share at the time of issue plus a premium intended to at least cover the costs and expenses of such issue (including, without limitation, any placing commissions). C Shares (if any) issued pursuant to this authority will be issued at 100 pence per C Share.

Further details of the Placing Programme are set out in Part 6 of this document. Investors should note that the issuance of new Shares is entirely at the discretion of the Board, and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the proportion of new Shares that may be issued.

There are no provisions of Guernsey law which confer rights of pre-emption in respect of the issue of Shares. The Articles do, however, contain pre-emption rights in relation to issues of Shares for cash, although such pre-emption rights have been disapplied in respect of up to 2 billion Ordinary Shares and/or C Shares for a period of five years ending on 26 January 2026 so as to assist the Company in managing market demand for Shares through the issue of further Shares.

### ***Discount Management***

#### ***Repurchase of Ordinary Shares and Subscription Shares***

The Directors will consider repurchasing Ordinary Shares and/or Subscription Shares in the market if they believe it to be in Shareholders' interests and as a means of correcting any imbalance between the supply of, and demand for, the Ordinary Shares and/or Subscription Shares.

Resolutions have been passed granting the Directors authority to repurchase up to 14.99 per cent. of the Company's issued Ordinary Share capital and issued Subscription Share capital (respectively) immediately following Initial Admission during the period expiring on the conclusion of the earlier of the Company's first annual general meeting and 4 July 2022. Renewal of these buy-back authorities will be sought at each annual general meeting of the Company or more frequently if required. Ordinary Shares purchased by the Company may be held in treasury or cancelled. Subscription Shares purchased by the Company will be cancelled.

In the event that the Board decides to repurchase Ordinary Shares, purchases will only be made through the market for cash at prices not exceeding the last reported Net Asset Value per Ordinary Share and such purchases will only be made in accordance with: (1) the Listing Rules, which currently provide that the maximum price (exclusive of expenses) to be paid per Ordinary Share must not be more than the higher of: (i) 5 per cent. above the average of the mid-market quotations for the Ordinary Shares for the five Business Days before the purchase is made; and (ii) the higher of: (a) the price of the last independent trade; and (b) the highest current independent bid for Ordinary Shares on the London Stock Exchange at the time the purchase is carried out; and (2) the Companies Law, which provides among other things that any such purchase is subject to the Company passing the solvency test contained in the Companies Law at the relevant time.

The Directors will not buy back any Shares from any class of C Shares in issue prior to their conversion into Ordinary Shares. Therefore, the Company will not assist any class of C Shares in limiting discount volatility or provide an additional source of liquidity.

Shareholders should note that the purchase of Ordinary Shares and/or Subscription Shares by the Company is at the absolute discretion of the Directors and is subject to the working capital requirements of the Company and the amount of cash available to the Company to fund such purchases. Accordingly, no expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions.

#### *Continuation resolution and ramp up provision*

In accordance with the Articles, the Directors are required to propose an ordinary resolution at the annual general meeting in 2026 that the Company continues its business as presently constituted (the “**Initial Continuation Resolution**”). If passed, the Articles provide that the Directors will propose an ordinary resolution that the Company continue its business as presently constituted at each fifth annual general meeting thereafter (a “**Continuation Resolution**”).

If the Initial Continuation Resolution or any Continuation Resolution is not passed, the Directors will put forward proposals for the reconstruction, reorganisation or winding up of the Company to Shareholders for their approval as soon as reasonably practicable following the date on which the Initial Continuation Resolution or relevant Continuation Resolution (as the case may be) is not passed. These proposals may or may not involve winding up the Company and, accordingly, failure to pass the Initial Continuation Resolution or any Continuation Resolution will not necessarily result in the winding up of the Company.

In addition, in the event that 75 per cent. of the Initial Net Proceeds have not been deployed (meaning invested in, or committed to, the acquisition or development of Digital Infrastructure Assets) within 18 months of the date of Initial Admission, the Board will consult with Shareholders over the future of the Company and the possible return of undeployed capital to Shareholders.

#### *Treasury Shares*

Any Ordinary Shares repurchased may be held in treasury. The Companies Law allows companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. These shares may be subsequently cancelled or sold for cash. This would give the Company the ability to reissue Ordinary Shares quickly and cost efficiently, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base.

No Ordinary Shares will be sold from treasury at a price less than the Net Asset Value per Ordinary Share at the time of sale unless they are first offered *pro rata* to existing Shareholders.

## **10 THE TAKEOVER CODE**

The Takeover Code applies to the Company.

Given the existence of the proposed buyback powers described in the paragraphs above, there are certain considerations that Shareholders should be aware of regarding the Takeover Code.

Under Rule 9 of the Takeover Code, any person who acquires shares which, taken together with shares already held by him or shares held or acquired by persons acting in concert with him, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares. Similarly, when any person or persons acting in concert already hold more than 30 per cent. but not more than 50 per cent. of the voting rights of such company, a general offer will normally be required if any further shares increasing that person's percentage of voting rights are acquired.

Under Rule 37 of the Takeover Code when a company purchases its own voting shares, a resulting increase in the percentage of voting rights carried by the shareholdings of any person or group of persons acting in concert will be treated as an acquisition for the purposes of Rule 9 of the Takeover Code. A shareholder who is neither a director nor acting in concert with a director will not normally incur an obligation to make an offer under Rule 9 of the Takeover Code in these circumstances.

However, under note 2 to Rule 37 of the Takeover Code, where a shareholder has acquired shares at a time when he had reason to believe that a purchase by the company of its own voting shares would take place, an obligation to make a mandatory bid under Rule 9 of the Takeover Code may arise.

The proposed buyback powers could have implications under Rule 9 of the Takeover Code for Shareholders with significant shareholdings. Prior to the Board implementing any share buyback the Board will seek to identify any Shareholders who they are aware may be deemed to be acting in concert under note 1 of Rule 37 of the Takeover Code and will seek an appropriate waiver in accordance with note 2 of Rule 37. However, neither the Company, nor any of the Directors, nor the Investment Manager will incur any liability to any Shareholder(s) if they fail to identify the possibility of a mandatory offer arising or, if having identified such a possibility, they fail to notify the relevant Shareholder(s) or if the relevant Shareholder(s) fail(s) to take appropriate action.

## **11 THE INITIAL ISSUE AND THE PLACING PROGRAMME**

### ***The Initial Issue***

The target size of the Initial Issue is £300 million (before expenses). The Minimum Gross Proceeds are £150 million (or such lesser amount as the Company, the Investment Manager and Investec may agree). If the Minimum Gross Proceeds are not raised, the Initial Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA.

The total number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Initial Gross Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service announcement prior to Initial Admission.

Investec has agreed to use its reasonable endeavours to procure subscribers pursuant to the Initial Placing for Ordinary Shares at the Issue Price on the terms and subject to the conditions set out in the Placing and Offer Agreement and this document.

The Company has agreed to make an offer of Ordinary Shares pursuant to the Offer for Subscription at the Issue Price, subject to the Terms and Conditions of Application set out in this document. The Terms and Conditions of Application should be read carefully before an application is made. Investors should consult their independent financial advisers if they are in any doubt about the contents of this document or the acquisition of Ordinary Shares.

Placees and subscribers in the Initial Issue will also be issued, for nil value, one Subscription Share for every eight Ordinary Shares subscribed in the Initial Issue. Each Subscription Share will entitle the holder to subscribe for one Ordinary Share at the applicable Subscription Price on a Subscription Date.

Further details about the Initial Issue are set out in Part 5 of this document.

### ***The Placing Programme***

In addition to any Ordinary Shares issued under the Initial Issue, the Company may issue up to a further 500 million Shares (being Ordinary Shares and/or C Shares) in aggregate pursuant to the Placing Programme.

Any Ordinary Shares issued pursuant to the Placing Programme will be issued at a price calculated by reference to the prevailing estimated Net Asset Value per Ordinary Share at the time of issue together with a premium intended to at least cover the costs and expenses of such issue (including, without limitation, any placing commissions), which are not expected to exceed 2 per cent. of the gross proceeds of such issue. C Shares (if any) issued pursuant to the Placing Programme will be issued at 100 pence per C Share.

Shares issued under the Placing Programme may be issued under this document provided that it is updated by a supplementary prospectus (if required) under section 87G of FSMA and Article 23 of the Prospectus Regulation.

Further details about the Placing Programme are set out in Part 6 of this document.

## 12 C SHARES

If there is sufficient demand from potential investors at any time following Initial Admission, the Company may seek to raise further funds through the issue of C Shares under the Placing Programme, as an alternative to the issue of Ordinary Shares. The issue of C Shares is designed to overcome the potential disadvantages for both existing and new investors that could arise out of a conventional fixed price issue of further Ordinary Shares for cash. In particular:

- the C Shares will not convert into Ordinary Shares until at least 80 per cent. of the Net Proceeds of the C Share issue have been deployed in accordance with the Company's investment policy (or, if earlier, 12 months after the date of their issue);
- the assets representing the Net Proceeds of a C Share issue will be accounted for and managed as a distinct pool of assets until their conversion date. By accounting for the Net Proceeds of a C Share issue separately, Ordinary Shareholders will not participate in a portfolio containing a substantial amount of uninvested cash before the conversion date;
- the basis on which the C Shares will convert into Ordinary Shares is such that the number of Ordinary Shares to which holders of C Shares will become entitled will reflect the relative net asset values per share of the assets attributable to the relevant tranche of C Shares and the Ordinary Shares. As a result, the Net Asset Value per Ordinary Share can be expected to be unchanged by the issue and conversion of any C Shares; and
- the Net Asset Value of the Ordinary Shares will not be diluted by the expenses of the C Share issue, which will be borne by the C Share pool.

The Articles contain the C Share rights, full details of which are set out in paragraph 4.19 of Part 8 of this document.

## 13 TAXATION

Potential investors are referred to Part 7 of this document for details of the taxation of the Company and Shareholders in the UK. Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their own professional advisers immediately.

## 14 DISCLOSURE OBLIGATIONS

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules (as amended from time to time) ("**DTR 5**") of the FCA Handbook apply to the Company on the basis that the Company is a "non-UK issuer", as such term is defined in DTR 5. As such, a person is required to notify the Company of the percentage of voting rights it holds as a holder of Ordinary Shares and/or C Shares or holds or is deemed to hold through the direct or indirect holding of financial instruments falling within DTR 5 if, as a result of an acquisition or disposal of Ordinary Shares and/or C Shares (or financial instruments), the percentage of voting rights reaches, exceeds or falls below the relevant percentage thresholds being, in the case of a non-UK issuer, 5, 10, 15, 20, 25, 30, 50 and 75 per cent. The Directors have, however, determined that, pursuant to the Articles, DTR 5 should be deemed to apply to the Company as though the Company were a UK "issuer" as such term is defined by DTR 5. As such, the relevant percentage thresholds that apply to the Company are 3, 4, 5, 6, 7, 8, 9, 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent., notwithstanding that in the absence of those provisions of the Articles such thresholds would not apply to the Company.

## 15 RISK FACTORS

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

## 16 NON-MAINSTREAM POOLED INVESTMENTS AND MIFID II

The Shares are excluded from the FCA's restrictions which apply to non-mainstream pooled investment products because they are shares in an investment trust.

The Directors consider that the requirements of Article 57 of the MIFID II delegated regulation of 25 April 2016 will be met in relation to the Ordinary Shares and C Shares and that, accordingly, the Ordinary Shares and C Shares should be considered “non-complex” for the purposes of MIFID II.

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

The Company has been advised that the Shares should be “transferable securities” and, therefore, should be eligible for investment by UCITS or NURS on the basis that: (i) the Company is a closed-ended investment company incorporated in Guernsey; (ii) the Shares are to be admitted to trading on the Specialist Fund Segment; and (iii) the Investment Manager is, amongst other authorisations, a registered investment adviser under the United States Investment Advisers Act of 1940, as amended and is regulated by the SEC and, as such, is subject to the SEC’s rules in the conduct of its investment business. The manager of a UCITS or NURS should, however, satisfy itself that the Shares are eligible for investment by that UCITS or NURS, including the factors relating to that UCITS or NURS itself, specified in the Collective Investment Scheme Sourcebook of the FCA Handbook.

## PART 2

### THE DIGITAL INFRASTRUCTURE INVESTMENT OPPORTUNITY

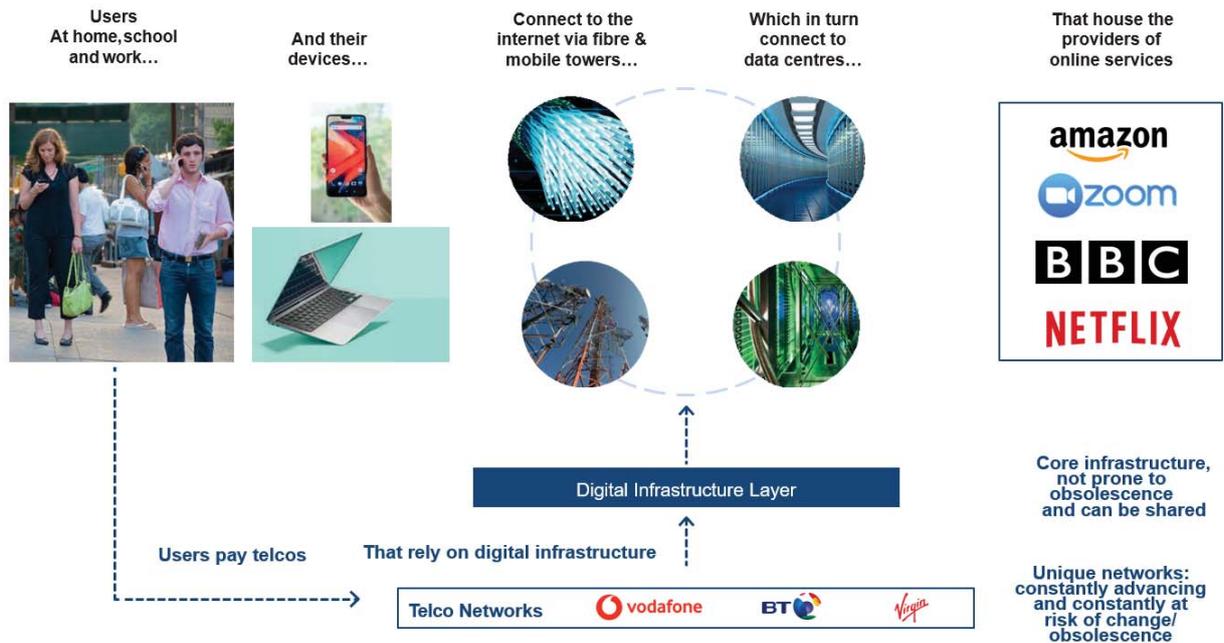
#### DIGITAL INFRASTRUCTURE

Modern communication systems, whether, *inter alia*, those of telecommunications operators, broadcasters, providers of so-called 'over the top' content, corporations, cloud computing providers or governments, can be broadly divided into two main categories (although it must be noted that by necessity this is a significant simplification and can be qualified in numerous ways):

- the rich set of software, applications and switching that enable the provision of products or services to users, and
- the underlying physical infrastructure – what might be termed the “plumbing of the Internet”.

The health crisis of 2020, engendered by the COVID-19 virus, afflicting countries globally and sadly reminiscent of past pandemics, has cast into sharp focus the critical role of digital infrastructure in the functioning of business, government, education and indeed society at large. Prior to the COVID-19 pandemic, digital communications had sparked a series of momentous changes in business (email and software as a service, amongst others), the provision of government services and social life (such as Facebook and Instagram). During the pandemic, the digital communications network has become essential in enabling commerce (“work from home”), feeding those who are at risk or in quarantine (food delivery services, for example), remote education during periods of school closures and even the provision of critical health information and government services.

This simplified schematic sets out the relationship between the Digital Infrastructure layers and the services we, as a society, have come to rely on:



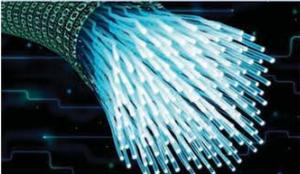
Digital Infrastructure Assets can be sub-divided into three broad categories:

- **Mobile communications towers** host the radio antennae (whether 3G, 4G or 5G or, in the future, 6G) owned by mobile carriers. At their base, and on the same site, sit the Node B base stations and base transceiver stations also owned by the carriers. Related assets in this category include small cells, in-building digital antenna systems (or DAS) deployed to complement and extend 5G signals that are less effective at penetrating large buildings and broadcast towers.
- **Data centres** host the servers that house corporate data and government data; in effect they are the home of the Internet. Data and services hosted outside the home or the office in servers is frequently referred to as being in “the cloud”. The cloud does not have some

ethereal existence, rather it inhabits data centres. There are different types of data centres: (a) the vast single-user facilities operated for their own purposes by the roughly two dozen global Internet-based companies referred to as “hyperscalers”, (b) large facilities shared by multiple users, referred to as “colocation” data centres, (c) “edge” data centre facilities facilitating the more proximate and immediate access of software, content delivery and internet companies to pools of users and (d) interconnectivity data centres serving customers seeking to position data at the nexus of a significant number of fibre-optic networks.

- **Fibre-optic networks** carry data to and from telecommunications company routing and switching equipment, data centres, mobile towers, offices and homes. The Company will not focus on assets that primarily sign up consumer fibre-optic customers, preferring instead to fund fibre for a housing association, a town, a city, regional corporate customers, data centre customers or national/international markets.

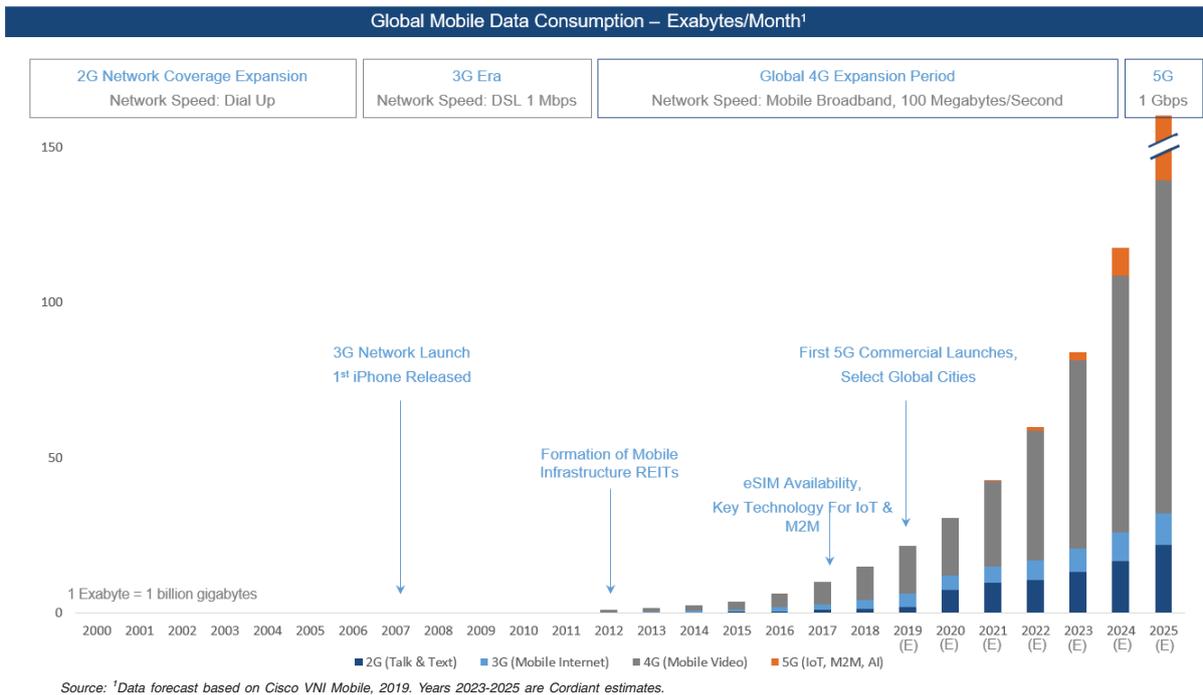
These three categories of assets have a series of characteristics that suit them to a listed investment company vehicle in the manner of the Company, namely they have low obsolescence risk, typically lengthy contract terms and a tendency to attract large and well-funded customers. Even when contract terms are shorter (such as one year colocation contracts for corporate data centre customers) they are often on contract terms that stipulate automatic renewal (with no intervention required). It can be expensive, complicated and time-consuming to remove and reconstitute outsourced data centre operations and as a result there tends to be a limited turnover of tenants.

How your Zoom call, Netflix film, Facetime Call, WhatsApp Message gets from A-to-B	<b>Focus 1: Mobile Towers</b>		<b>Focus 2: Fibreoptic Networks</b>		<b>Focus 3: Cloud &amp; Data Centres</b>	
						
	Macro Towers	DAS, Small Cells & Related	Long Haul, Sub-Sea, Regional	Fibre-to-the Premises	Edge & Proximity CoLo	Hyperscale
<b>Obsolescence Risk</b>	Low	Low	Low	Low	Low	Low
<b>Typical Tenant</b>	Telecoms Operator ("Telco")	Telco; Stadium, Building, Railroad	Telco, Government, Corporate	Software (SaaS), Media, Telco	Software (SaaS), Media, Telco	Amazon, Netflix, Google etc
<b>Typical Contract Term</b>	10 Year + Renewal(s)	10 Year + Renewal(s)	5-10 Year +	Varies (long term for telco)	5-10 Year +	10 Year + Renewal(s)

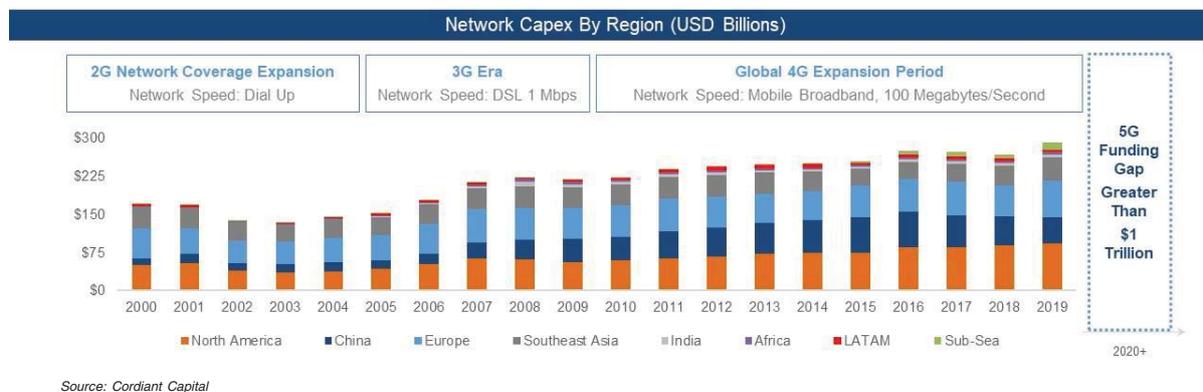
## THE GROWTH IN DATA USAGE AND PROCESSING

Even prior to the COVID-19 pandemic (which has popularised video calls and “working from home”), increasing amounts of communication and commercial transactions had moved into the digital world. The volume of data traffic travelling across the network, whether from desk to desk in the same office building or from London to Hong Kong, was already surging.

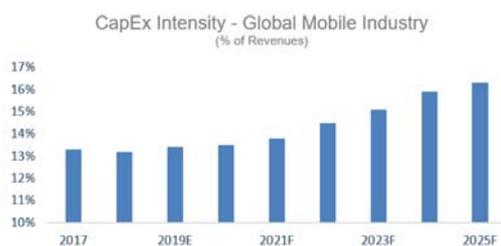
Whether globally, regionally or nationally, digital communications networks are continuing to carry extremely high volumes of data and moreover are witnessing sustained and strong levels of traffic growth. Whilst the increases in the amounts of data carried to date have been impressive, numerous studies suggest that this rate of growth will continue for many years to come.



This strong and sustained growth in data volumes creates a financial problem for those entities dependent on the Internet (communications operators, corporations and governments alike): the cost of the “user facing” layer and the “plumbing” creates a high degree of capital expenditure intensity. Most cannot afford both.



#### Mobile Networks Becoming More CapEx Intensive



#### Specialist Cloud Infrastructure CapEx Set To Surge



The Investment Manager believes that the commercially logical decision will usually be for communications companies and other large users (such as hyperscale and public cloud operators, corporations and governments) to “share the plumbing” or, in industry terminology, to make use of network neutral communications infrastructure.

This significant structural change commenced more than a decade ago, first in the USA and thence progressing in many other parts of the developed and developing world. EY has estimated that around 67 per cent. of mobile towers in the USA and Canada, 42 per cent. in Latin America and 17 per cent. in Europe are now owned by third party independent tower companies (Source: EY: “The economic contribution of the European tower sector”, April 2019).

This has helped to reduce the cost of tower use by an estimated 46 per cent. (on cost per point of presence basis) due to reduced operating expenditures, capital savings, and spreading the fixed costs of owning a tower over several tenants.

Similar changes occurred in the data centre sector, where recent research suggests that moves by corporations and governments to use shared or outsourced infrastructure are still in their early days. A study released by the S&P 451 Group at the annual Hosting and Cloud Transformation Conference in October 2020 suggests that at least 25 per cent. of the US corporations it surveyed now make use of outsourced server infrastructure. Moreover, the S&P 451 Group research also reveals that the primary use case for outsourcing was disaster recovery (i.e. backup facilities as opposed to outsourcing of frontline functions (such as software applications and enterprise resource planning). This implies that the trend towards shared data centre infrastructure is still in its infancy.

The use of outsourced colocation data centre services enables organisations to optimise their information technology budgets, allowing for focus on key business drivers, enabling greater flexibility and cost certainty. Cloud computing solutions allow corporates and organisations to focus on their core businesses by having the provision of computing capacity assumed by an outside expert. When no longer devoting energy and resources to areas that are not in its domain of primary expertise, a business can focus more resources on directly meeting its customers’ requirements.

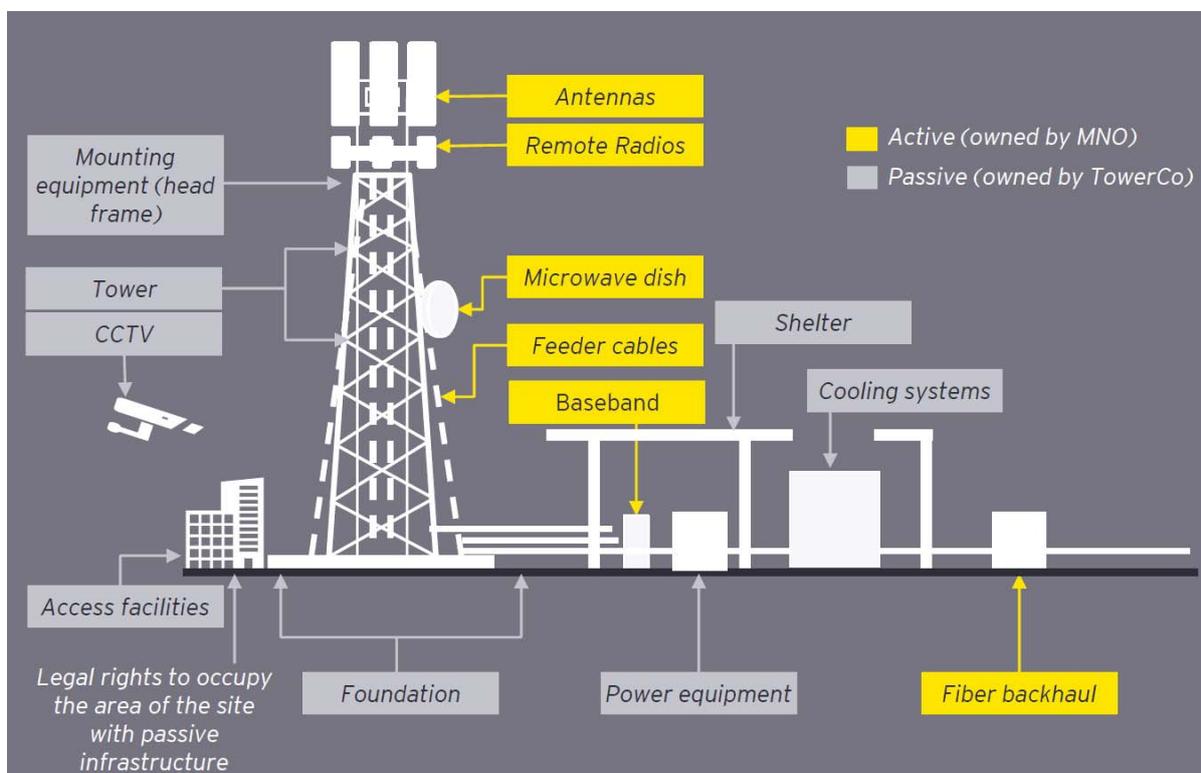
The enduring value proposition of shared Digital Infrastructure is set out in the following table.

### Customer Perspective: Sharing = Capital Efficiency

<b>Building Blocks of A Telco’s Service Offering:</b>	Spectrum	Core Network Software & Switching Radio Equipment	Advertising, Marketing, Customer Acquisition & Care	Mobile Towers + Fibre + Data Centres
<b>Unique to the Telco?</b>	YES Spectrum is purchased from government. More spectrum = more capacity = more service.	YES Each telco will have a unique mix of network hardware and software	YES Advertising & software decisions will affect how customers are signed and their experience thereafter	NO Service offering is the same if one or more carriers shares the same core infrastructure
<b>Easy to Share?</b>	NO Spectrum is a strategic asset.	NO Investment decisions here are strategic and define service type/quality	NO Advertising & service models are individual to each telco	YES A mobile tower can accommodate 1, 2, 3+ carriers without issue
<b>Obsolescence Risk</b>	LOW	HIGH	HIGH	LOW
<b>Benefits of Sharing?</b>	MAYBE... if there is surplus spectrum (rare) it can be resold until needed	NO Boosts complexity and renders decisions around new offerings difficult	NO It would confuse customers and blur offerings	YES Capital could be freed to invest in core areas unique to the telco

## MOBILE TELECOMMUNICATIONS/BROADCAST TOWERS

Investing in mobile telecommunications/broadcast towers entails owning the tower structure, upon which mobile carriers, and other tenants, install their own radio antennae equipment. The simplified diagram below shows the components of the tower and the ownership between the infrastructure owner and the telecom operator.



Source: EY

The owner of the mobile telecommunications/broadcast tower benefits from:

- *Long Contracts* – tenant contracts typically run at 10 years, with multiple renewal options available to the tenant. Contracts are typically based on the weight of the antennae (adjusted for wind loads).
- *High Renewal* – typical tenant retention rates of 80-99 per cent.
- *Contractual escalators* – leases typically have local inflation rates, with a floor at zero.
- *The pass-through of a portion of operating expenses* – including power, fuel costs and ground rent, depending on the details of the contract.

The infrastructure owner earns a profit after covering the costs of the tower, including site maintenance, insurance, security, ground rents and the costs of construction. Returns are enhanced by adding additional tenants, which incur minimal additional cost.

Increasing cellular Internet penetration and exponential growth in data volumes are expected to accelerate the adoption of 5G networks, providing an additional growth engine to the tower sector. 5G spectrum is characterised by high peak data rates, extremely low latencies, and robust connection density, providing enhanced user experience. This will require further physical mobile communication infrastructure investment to meet the consumer demand for high-speed internet access. Another factor contributing to the mobile communication infrastructure growth is the rising proliferation of smartphone devices. According to the February 2019 report published by GSM Association<sup>1</sup>, more than 700 million new cellular subscribers are expected to be added by 2025.

<sup>1</sup> <https://www.gsm.com/newsroom/press-release/new-gsm-study-5g-to-account-for-15-of-global-mobile-industry-by-2025/>

## DATA CENTRES

Data centres are specialist buildings that host customers' services that power the storage and transmission of data. Data centres vary in size according to their use and clients.

Data centres can fall into four broad categories: (1) hyperscale facilities solely or primarily serving extremely large corporations (such as Amazon and Microsoft), (2) colocation facilities serving a mix of customers, generally corporate (though sometimes including governments), (3) so-called "edge" data centres serving companies (such as content delivery networks, cloud computing companies, software as a service firms) requiring proximity to concentrations of users, and (4) interconnect or "carrier hotel" facilities offering direct interconnection and a high density of connectivity to fibre networks.

The owner of the data centre typically benefits from:

- *Long contracts or frequent annual renewals* – customers contract for 5-10+ years for scale deployment (which can be customised for larger tenants). Colocation customers typically contract for 1-3 years, but usually with automatic renewal. In many instances, contracts are based on power consumed (as opposed to square footage used) plus fees for power availability and additional services (such as cross connects).
- *High renewal rates* – the typical tenant retention rates are 70 – 90 per cent.
- *Contractual escalators* – leases typically have annual escalators at 2 – 5 per cent. per annum.

The infrastructure owner earns a profit after covering the costs of the data centre, including site maintenance, insurance, temperature control systems, electrical systems, customer care (including labour on site and management of the data centre's operations) and the costs of construction.

The data centre colocation market was valued at US\$31.39 billion in 2019 and is expected to reach a value of US\$58.28 billion by 2025, at a CAGR of 10.92 per cent. over the forecast period (2020 – 2025).<sup>2</sup>

- Increasing generation of data has raised the demand for data centres globally. It is estimated that the global data centre IP traffic will reach 19.5 zettabytes by the end of 2021, up from 6.0 zettabytes per year in 2016, according to Cisco Systems. The single largest driver of such expansion in the data centre capacity is the demand generated by the cloud services providers and the IT industry.
- With the advent of colocation services, it has become an attractive solution to many small-scale and hyperscale players equally, as it allows organisations to address their storage issues without substantial upfront costs. Globally, North America and Asia-Pacific are the largest markets for the colocation industry, responsible for over 78 per cent. of the industry's capacity.
- However, owing to the increasing demand from the hyperscale vendors in the region, Europe is increasingly turning into a primary hotspot for the colocation industry. It is estimated that the region's colocation footprint is expected to dominate the global market, with over 2148 facilities across the region, most of them concentrated in demand zones, such as the United Kingdom, the Netherlands, Germany, France, and Denmark. With the increasing number of investments into the region, it is expected to be one of the fastest growing markets over the forecast period.

According to PwC<sup>3</sup>, edge data centres are expected to continue to grow at c.19 per cent. CAGR to 2024, reaching a value of US\$13.5 billion. There are several key themes underpinning that growth rate:

- *Arrival of 5G* – the decentralised small cell network of edge data centres provides low cost, low latency support for high device density 5G use cases (e.g., smart-city applications).
- *Internet of Things ("IoT") proliferation* – low latency edge processing is key to managing the increasing volume of data as more and more IoT sensors and devices are installed in home and industrial settings.

<sup>2</sup> Data Center Colocation Market, January 2020 – Growth, Trends, and Forecast (2020 – 2025)

<sup>3</sup> PwC, "Edge Data Centre – How to participate in the coming boom" – <https://www.pwc.com/us/en/industries/capital-projects-infrastructure/library/edge-data-centers.html>

- *Widening data gap* – by filtering the data close to the source, low-cost edge centres can help close the potential 64 zettabyte gap between global data centre traffic and useable data created.
- *Adoption of SDN and NFV tech* – software-defined networking and network function virtualisation enable software running on data centres to replace costly specialised hardware.
- *Video streaming and AR/VR* – decentralised, low-cost edge data centres reduce streaming latency and provide the performance that consumers and business users demand.

## **FIBRE-OPTIC NETWORKS**

Fibre-optic networks are networks of cables that carry the data from and to homes, offices, data centres and mobile towers. The universe of assets can be split into the backbone network and the last mile network.

### **Backbone network**

- *Long-haul fibre* – this is the fibre that connects across land between urban conurbations and internationally. This fibre is typically leased to network providers and telecoms operators.
- *Sub-sea fibre* – this is the fibre that connects countries that do not share land borders through undersea fibre, for example between North American and European countries.
- *Fibre connecting mobile telecommunication towers and data centres* – to the broader fibre network as well as fibre connections within cities and between regions.

### **Last mile**

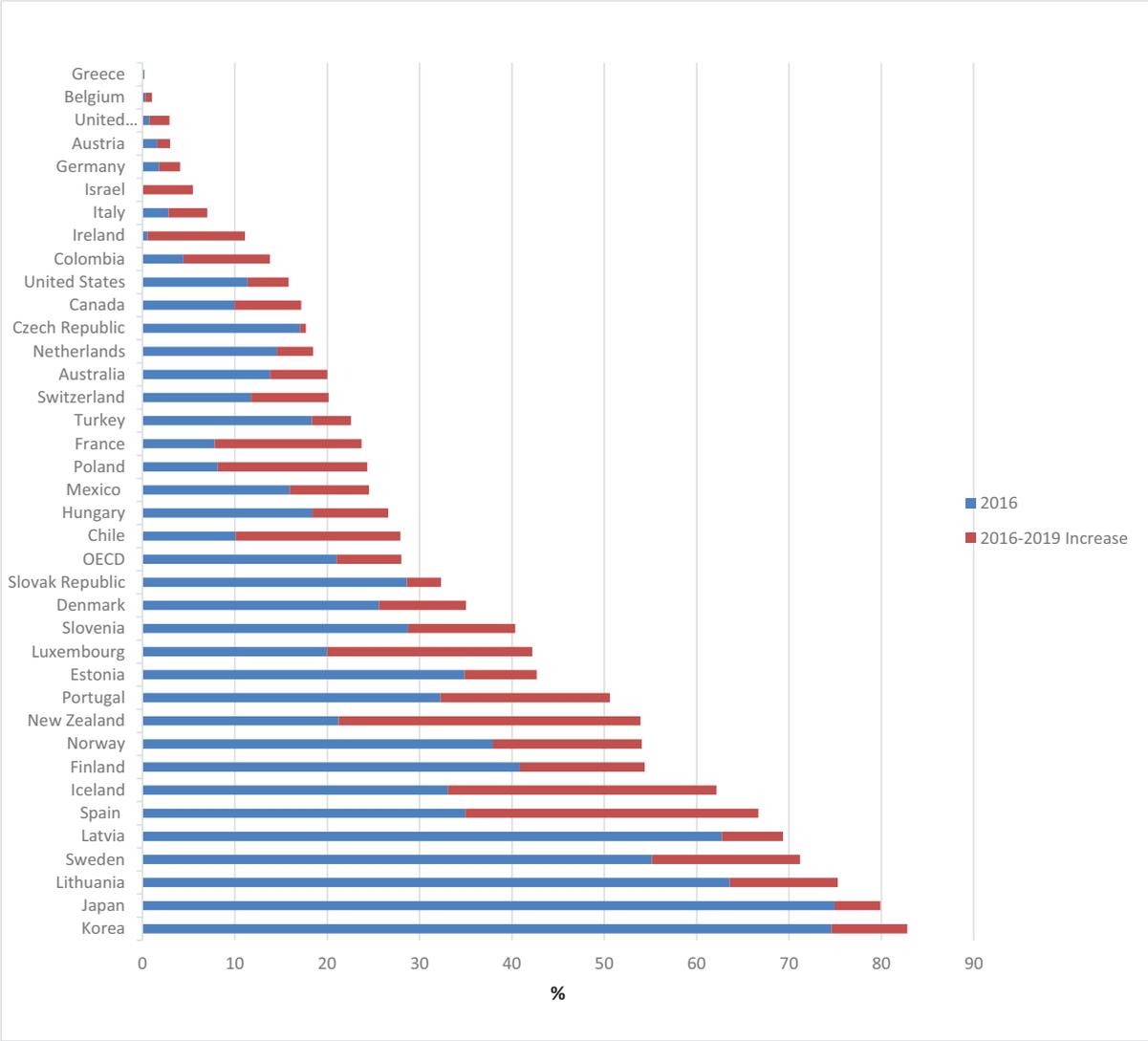
- *Fibre-To-The-Premises (“FTTP”)* – this is the fibre that connects end users, both businesses and consumers, to the broadband network.

The business model of the owner of the fibre-optic network varies depending on the type of asset and the customer base. However, once access rights have been achieved for the fibre and installation has taken place, the operating costs are low. Revenues are either secured by long-term contracts with telecoms operators (with inflation escalators and high renewal rates) or, in the case of FTTP, may be subject to short-term consumer contracts. The Group will not, however, focus on assets that primarily sign up consumer fibre-optic customers, preferring instead to fund fibre for a housing association, a town, a city, regional corporate customers, data centre customers or national/international markets.

The growth in data volumes is impelling investment into the various categories of fibre-optic networks. Specifically:

- there is large scale investment into cross-national fibre infrastructure to improve international connectivity;
- governments in the UK, the EEA and North America have publicly cited digital access as a public policy priority. This necessitates substantial investment into replacing copper with fibre-optic cables in the last mile market for businesses and consumers. For example, Germany and the UK each have less than 10 per cent. fibre penetration against 80 per cent. or higher in Japan and South Korea;
- as a consequence of the future growth of data centres, including edge data centres, there is a need to invest in backbone fibre, with denser fibre connectivity, to connect these infrastructure assets to the population clusters that they are serving; and
- in order to process the increase in data from the roll-out of 5G, the fibre-to-the-tower needs to be upgraded from typically existing copper connections to fibre-optic cable.

**Percentage of fibre connections in total fixed broadband**



Source: OECD (data as of December 2019)

## PART 3

### INVESTMENT PIPELINE AND TRACK RECORD OF THE INVESTMENT MANAGER

#### 1 PIPELINE

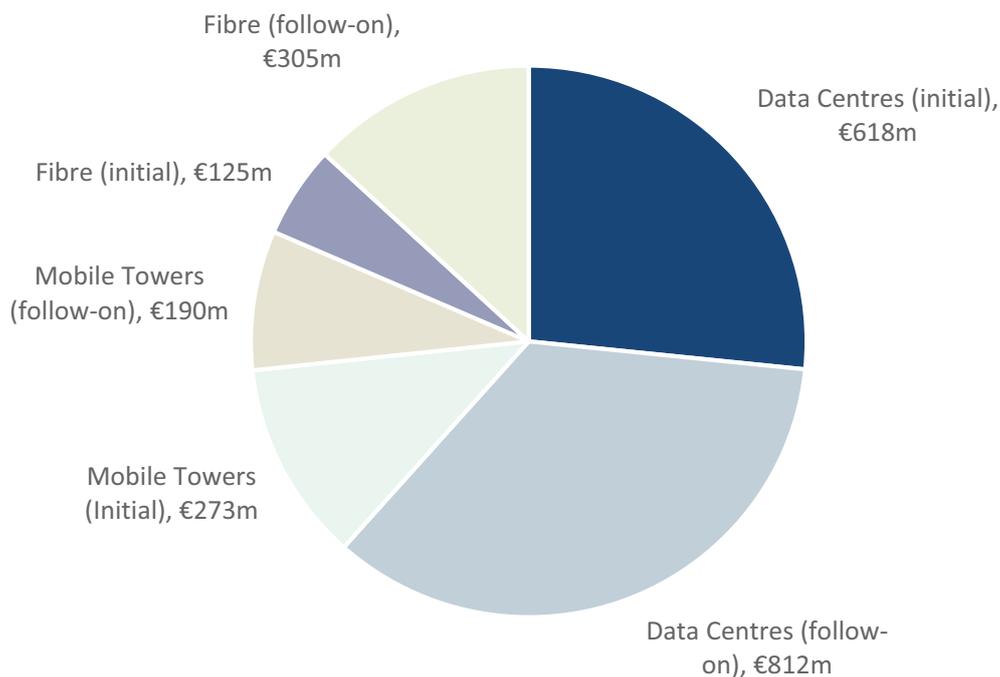
Through its network, the Investment Manager has identified and is evaluating, as at the date of this document, a pipeline (“**Investment Pipeline**”) in excess of €1.5 billion of investment opportunities. Three opportunities currently under active consideration include:

- a portfolio of regional and edge data centres in the United States;
- a portfolio of mobile towers in the EU; and
- a long-haul fibre-optic network in Northern Europe.

These assets, which are all cash-generating, have the potential to be significantly expanded post-acquisition through additional capital investment. M&A offers a further avenue for growth in each case.

**THE POTENTIAL INVESTMENTS COMPRISED IN THE INVESTMENT MANAGER’S PIPELINE FROM TIME TO TIME INCLUDE TRANSACTIONS AT VARIOUS STAGES OF CONSIDERATION BY THE INVESTMENT MANAGER. THE NUMBER AND VALUE OF POTENTIAL INVESTMENTS COMPRISED IN THE PIPELINE FLUCTUATES AND THE PIPELINE UNDER CONSIDERATION FOLLOWING INITIAL ADMISSION MAY BE HIGHER OR LOWER OR DIFFERENT THAN THAT UNDER CONSIDERATION AT THE DATE OF THIS DOCUMENT. THERE IS NO CERTAINTY THAT ANY OF THE POTENTIAL INVESTMENTS IN THE INVESTMENT MANAGER’S PIPELINE AS AT THE DATE OF THIS DOCUMENT WILL BE COMPLETED OR WILL BE INVESTED IN BY THE COMPANY.**

#### INVESTMENT PIPELINE BY SUB-SECTOR AND STAGE OF INVESTMENT

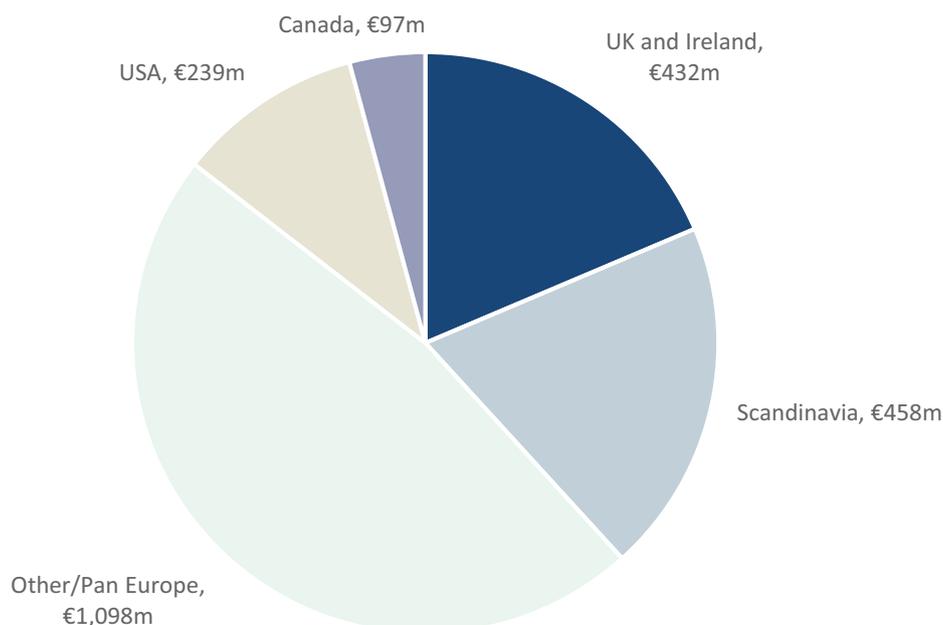


*Source: Cordiant Capital. A mid-point of investment pipeline values has been taken, where applicable. GBP, USD, and CAN\$ values have been converted using applicable foreign exchange rates on 25 January 2021.*

## INVESTMENT PIPELINE BY SUB-SECTOR AND STAGE OF INVESTMENT

PIPELINE ASSET	SUB-SECTOR	GEOGRAPHY	INITIAL INVESTMENT SIZE	ESTIMATED SUBSEQUENT INVESTMENT OPPORTUNITY SIZE	DESCRIPTION
1	Data centres	USA	US\$95-115M	US\$60M	Multiple operational edge data centres across several Eastern / North Eastern US States
2	Data centres	USA	US\$100-150M	—	Multiple operational edge data centres across several US States
3	Data centre	Europe	€120M	€120M	Edge data centre opportunity
4	Data centres	Ireland	€70M	€125M	Hyperscale campus development and expansion opportunity
5	Data centres	Scandinavia	€100M	€300M	Existing operational facility with expansion potential
6	Data centres	UK	£70M	£120-160M	Existing operational facility with expansion potential
7	Data centres	Europe	€60M	€60M	Colocation and edge data centre facilities with expansion potential
8	Mobile telecoms towers	Europe	€190M	€100M	Carve-out and expansion opportunity of underutilised operational towers
9	Mobile telecoms towers	Europe	€50-75M	€50M	Carve-out and expansion opportunity of underutilised operational towers
10	Mobile telecoms towers land	Europe & UK	£20M	£40M	Portfolio of land plots underneath cell tower sites across Europe
11	Fibre-optic	Scandinavia	€15M-20M	€40M	Existing fibre optic network
12	Fibre-optic	Germany	€75M	€200M	Regional and backbone fibre
13	Fibre-optic	Canada	CAN\$50M	CAN\$100M	Northern fibre and cloud infrastructure opportunity

## INVESTMENT PIPELINE BY GEOGRAPHY



Source: Cordiant Capital. A mid-point of investment pipeline values has been taken, where applicable. GBP, USD, and CAN\$ values have been converted using applicable foreign exchange rates on 25 January 2021. Other/Pan Europe includes some exposure to separately identified European countries.

## 2 TRACK RECORD

Over 20 years the Investment Manager has managed funds and accounts for institutional clients including G7 governments, global insurance companies, sovereign wealth pools, substantial pension plans and large family offices.

In 2015, the Investment Manager was purchased by the current partner group from its majority shareholder, a ~US\$200 billion pension plan group that had taken activities in-house and was no longer investing capital in Cordiant funds.

Since 2015, the Investment Manager has:

- exceeded benchmark targets in all vehicles managed for its clients; and
- managed five investment funds or large SMAs (separately managed accounts) as well as other special purpose vehicles (SPV).

### Comingled funds closed since 2015<sup>4</sup>

Fund	Vintage	Description
Cordiant CELF IV	2016 Second Close	Subsequent to second close, Originate & Structure model
Cordiant Infrastructure SCS I	2016	Originate & Structure
Cordiant Infrastructure & Real Assets Debt	2019	Originate & Structure
Cordiant Infrastructure SCS II	2019	Originate & Structure
Cordiant Agriculture Real Assets Debt	2020	Originate & Structure

<sup>4</sup> The Investment Manager does not have the approval of the investors in these funds to make public disclosure of the performance of the funds.

The Investment Manager is currently overseeing an equity investment in a US data centre company by way of an SPV established and managed by Cordiant's team, which originated and structured the original equity investment and identified the private equity group that is a co-investor in the opportunity. It is a "proximity data" provider, targeting customers such as major cloud providers, content delivery networks and large software companies with substantial facilities but needing proximity locations.

Since 2018, when the Digital Infrastructure Investment Team was expanded, the Investment Manager has structured, invested in and managed Digital Infrastructure transactions in the mobile tower, data centre and fibre markets in the US and around the world. Aggregate capital committed in the investments structured and anchored by the Investment Manager have totalled ~US\$315 million since its inception. The majority of these were structured debt investments wherein return was generated with a mix of coupon and equity kickers (including warrants). The annualised return on these investments (one loan having been repaid and two others, one debt and one equity, in exit mode) has averaged slightly under 14 per cent. based on spread plus LIBOR, upfront fees and the current estimated value of the equity exposure.

Examples of these investments include:

- The Investment Manager anchored a proprietary structured growth capital debt investment into a Latin American middle market mobile tower business. This firm had circa 600 towers at closing and now operates closer to 1,000 towers. The tower business was led by an experienced European telecommunications executive with a pedigree vetted by the Investment Manager. The company's tenants were principally the three largest mobile operators in the market. The tenants all had "national coverage requirements" which further underpinned the company's strategy of focusing on less-served markets. The growth plan called for a significant amount of new capital to fund new towers on a "build to suit" basis.
- The Investment Manager secured a proprietary structured debt investment into a growing fibre optic network with significant growth opportunity in several African countries. The company provides services to clients including large telcos and global internet companies. The company has also been awarded fibre infrastructure builds exceeding 5,000 kilometers, all on a contractual basis. The Investment Manager was welcomed onto the board of the company as an observer.
- The Investment Manager led and structured a significant growth capital investment in a middle market tower company in China (a subsidiary of a large information technology services group). This proprietary opportunity has given the Investment Manager a window into the development of one of the two markets where next-generation 5G wireless technology is being deployed.

The Investment Manager's Digital Infrastructure Investment Team has extensive operational and investment experience across the Digital Infrastructure sector, further details of which are set out in Part 4 of this document.

The Investment Manager has successfully invested around the world, including in some of the more challenging jurisdictions and has live and relevant Digital Infrastructure investments in two of the leading markets for the deployment of next generation wireless (5G), being the USA and China.

## Valuable lessons from investing around the world



(Source: Cordiant Capital)

## PART 4

### DIRECTORS, MANAGEMENT AND ADMINISTRATION

#### 1 DIRECTORS

The Directors are responsible for the Company's investment objective and investment policy and have overall responsibility for the Company's activities including the review of investment performance and the control and supervision of the Investment Manager. All of the Directors are non-executive and are independent of the Investment Manager and the Company's other service providers.

The Directors will meet at least four times a year, *inter alia*, to review and assess the Company's performance in relation to the investment policy and strategy, the risk profile of the Company, the Company's investment performance, the performance of the Company's service providers, including the Investment Manager and the Administrator, and generally to supervise the conduct of its affairs.

The Directors are as follows:

#### ***Shonaid Jemmett-Page FCA (aged 60) (Chairman)***

Shonaid Jemmett-Page is an experienced non-executive director in the energy and financial sectors. Mrs Jemmett-Page spent the first 20 years of her career at KPMG in London and Tokyo, rising to the position of Partner, Financial Services. In 2001, she moved to Unilever, where she was Senior Vice President, Finance and Information for Asia, based in Singapore, before returning to the UK as Finance Director for Unilever's global non-food business. In 2009, Mrs Jemmett-Page joined CDC Group as Chief Operating Officer, a position she held until 2012.

Since then, she has focused on non-executive appointments and is currently chairman of Greencoat UK Wind Plc, a non-executive director of Caledonia Investments plc and chairman of the remuneration committee and a member of the governance, nomination and audit committees, senior independent director and chairman of the audit and remuneration committees and a member of the nomination and risk committees at ClearBank Ltd, and a non-executive Director of QinetiQ Group plc and chairman of the audit committee and a member of the risk & CSR, remuneration, nomination and security committees. Until January 2016 she was a non-executive director of APR Energy Limited where she served as chairman of the audit committee and a member of the remuneration committee, until October 2017 she was non-executive chairman of Origo Partners plc, until April 2018 she was non-executive director of GKN plc where she served as chairman of the audit committee and was a member of the remuneration and nominations committees, until November 2019 she was a non-executive director of MSAmmlin plc where she served as chairman and was also the chairman of the remuneration and nominations committees and a member of the risk & solvency committee, and until March 2020 she served as non-executive chairman and then non-executive director of MSAmmlin Insurance SE (a Belgian subsidiary of MSAmmlin plc). She is also the examiner of the UK branch of an Indian children's cancer charity.

#### ***Sian Hill FCA (aged 56) (Non-executive Director)***

Sian Hill is a chartered accountant with experience principally within the financial services sector. Mrs Hill began her career practicing audit for KPMG in 1984, moving to specialise in tax in 1990. In 1996 she became a tax partner in KPMG's financial services group, working with a range of financial institutions, including major listed banking groups, international insurance and reinsurance groups and intermediaries and investment managers. She advised on a wide range of projects including mergers and acquisitions, disposals and reorganisations and also provided the tax input to the statutory audit of a number of financial services groups. From 1999 until 2003, and again from 2008 until 2010, Mrs Hill also served as Head of KPMG's UK Financial Services Tax group. From 2003 until 2006 she served as Head and Co-Head respectively of both KPMG's UK M&A Tax and European M&A Tax groups and was a member of KPMG's Global M&A Tax Steering Group. Mrs Hill also led KPMG's response to Brexit for the insurance sector, helping clients formulate and implement their response to Brexit, from early 2016 until her retirement from KPMG in 2018.

Since 2019, Mrs Hill has gained positions as a non-executive director of Yealand Administration Limited (a fund administration specialist) and Ipswich Building Society, serving on both the Audit and Board Risk and Compliance committees of the latter. Since 2014 she has served as a trustee of the UK children's mental health charity Place2Be and is currently chair of the Finance and Audit Committee and member of the People and Culture Committee.

***Marten Pieters (aged 67) (Non-executive Director)***

Marten Pieters is an executive with extensive international experience in the telecoms sector. From 1978 to 1984, Mr Pieters held company secretarial roles at Smilde Holding B.V., rising to Corporate Director of Finance and Strategic Planning in 1984 where he was responsible for various budgeting, financial reporting, policy, legal and fiscal matters. In 1988 Mr Pieters joined Fano Fine Food Salades B.V. as CEO, where he was responsible for management restructuring, overseeing several corporate acquisitions.

Mr Pieters moved into telecoms in 1989 serving in various directorship positions, including as Managing Director for Telecom District Groningen from 1993 until 1995 and as Vice President of International Operations for PTT Telecom B.V. from 1995 until 1998. Between 1998 and 2003 Mr Pieters went on to hold various other positions within the KPN Group, the Dutch landline and mobile telecommunications company, including Executive Vice President, where he was responsible for branch offices in Europe and the US, and later becoming a member of KPN's Executive Management Board and CEO of the Division KPN Business Solutions, overseeing the operation of network solutions and equipment. During this time, he sat on various other international supervisory boards, including the board of directors of Cesky Telecom, Eircom Ireland, Euroweb Corp, KPNQwest, and notably as chairman of the supervisory board of Xantic, a worldwide working provider of software solutions and satellite services. From 2003 to 2007 Mr Pieters served as CEO of Celtel International B.V., a company operating mobile telephone licenses in African countries, and from 2009 until 2015 he served as Managing Director and CEO of Vodafone in India.

Since 2015, Mr Pieters has held other board memberships including for Vodacom Group S.A., Vodafone India Ltd, Indus Towers Ltd and Oi S.A. He is currently chair of the supervisory board for Open Tower Company B.V., the Dutch telecom tower operator, and a non-executive director of Tawal Towers Saudi Arabia, a telecom tower operator and subsidiary of Saudi Telecom Company.

***Simon Pitcher ACA (aged 48) (Non-executive Director)***

Simon Pitcher has around 20 years' experience in international private equity. Mr Pitcher is a chartered accountant, spending the first six years of his career at PwC in London. In 2000, he moved to MetLife Investments where he was responsible for making and monitoring over US\$1 billion of mezzanine and private equity investments throughout Europe. In 2003, he left MetLife to become a founder member of Hermes Private Equity, a UK focussed mid-market buyout fund, where he remained until 2007.

From 2007 to 2009, Mr Pitcher was a Director at Blackwood Capital Partners (BCP), based in Sydney, Australia. Whilst at BCP, a mid-market buyout fund with c.AUS\$100 million under management, Mr Pitcher's role covered all aspects of investment-related activity, including holding portfolio board positions, investor reporting and assisting with the fund's financial reporting and compliance requirements. In 2009, Mr Pitcher returned to London, joining Standard Bank Private Equity, a US\$800 million global emerging markets private equity business, as Director, where he remained until 2011. During his time at Standard Bank, Mr Pitcher was particularly focussed on its sub-Saharan African investments, fulfilling a senior deal execution role working closely with local teams.

In 2012, Mr. Pitcher joined J Rothschild Capital Management (JRCM), investment manager of RIT Capital Partners, a UK listed investment trust founded by Lord Rothschild, where he remains Head of Private Investments. In this role he has responsibility for approximately £800 million of private investments across diverse sectors and geographies, with his role encompassing deal execution, portfolio management and asset realisation. Mr Pitcher has held several non-executive board positions representing JRCM, including six years at Helios

Towers, a leading African telecom tower infrastructure company, prior to its London IPO. Mr Pitcher is currently a non-executive director of Infinity SDC, a UK data centre owner and operator, a position he has held since 2013.

## **2 THE INVESTMENT MANAGER**

### **2.1 Introduction**

Cordiant Capital Inc. is a sector-focused investor in global infrastructure and real assets, running infrastructure private equity, infrastructure private credit and real assets partnerships and managed accounts. Founded in 1999 and investing on behalf of institutional clients, the Cordiant Group seeks to generate attractive and uncorrelated returns within the specific risk and return parameters of each strategy whilst observing its Responsible Investing policy. The Cordiant Group has offices in London, Luxembourg, Montreal (headquarters) and São Paulo and has individual origination team members in the EU, North America, Istanbul and Singapore. As at 31 December 2020, Cordiant Group managed funds with committed capital of approximately US\$2 billion. The Cordiant Group has particular experience and expertise in Digital Infrastructure with a dedicated sector team concentrated in London and with additional team members in Montreal and the EU.

The Investment Manager focuses on key sectors where it can generate additional return for its investors through demonstrably deep industry knowledge and an ability to create tailored capital solutions.

The Investment Manager's four focus sectors are:

- Digital Infrastructure;
- Clean Energy Infrastructure;
- Transport Infrastructure; and
- Agricultural Real Assets.

The firm has particular experience and expertise in Digital Infrastructure. Each area has a sector-focused team, with Digital Infrastructure anchored in London and Montreal.

The Investment Manager is registered in three categories in the provinces of Ontario and Québec with, respectively, the Ontario Securities Commission and the *Autorité des marchés financiers* in Québec respectively as, (1) an Investment Fund Manager (IFM), (2) a dealer in the category of exempt market dealer (EMD) and (3) an advisor in the category of portfolio manager (PM). The Investment Manager is registered in the province of Alberta as (1) a dealer in the category of exempt market dealer (EMD) and (2) a portfolio manager (PM) and also registered in British Columbia under the category of exempt market dealer (EMD). The Investment Manager is also an SEC Registered Investment Advisor (RIA) in the United States.

The Investment Manager may in the future rearrange the provision of the management services to the Company such these are provided by another appropriately regulated Cordiant Group entity.

### **2.2 The Digital Infrastructure Investment Team**

The Investment Manager has a team of almost 40 professionals focused on its investment strategies, however, the key individuals from the Investment Manager's Digital Infrastructure Investment Team who will be responsible for executing the Company's Digital Infrastructure investment strategy are:

#### ***Steven Marshall – Executive Chairman of Digital Infrastructure***

Prior to joining the Investment Manager, Mr Marshall was President of American Tower Corporation (NYSE: AMT) US Tower Division; served as CEO of National Grid Wireless (where he led their wireless tower infrastructure business in the US and UK); Executive Chairman of Intelig, Brazil (c. US\$1.5 billion national long distance fibre owner and operator); director of Digital UK, advising the UK government on digital switchover; Chairman of WIA – Wireless Infrastructure Association, USA (2017-2018) and a director for 8 years; and a board member of CTIA, the US Carriers Association (2017-2018).

Mr Marshall holds a BSc (Hons) in Building and Civil Engineering from the University of Manchester, as well as an MBA from Alliance Manchester Business School. Whilst Mr Marshall was serving as President, AMT pioneered the network neutral telecommunications infrastructure model in the United States, Germany, France and 12 other countries in both communication towers and combinations of towers and fibre. With rich experience in commercial negotiation, regulation and supporting and enabling network engineers in building the highest-quality infrastructure in highly competitive markets, Mr Marshall had a material influence on making AMT the company it is today, the largest network neutral telecommunications infrastructure company in the world with a market capitalisation of c.US\$100 billion. Prior to AMT, he built National Grid Wireless into the largest network neutral tower infrastructure provider in Europe, including the integration of Crown Castle's UK mobile tower assets. Subsequently sold to private equity interests, it became the core of Arqiva (which recently sold assets to Cellnex in a multi-billion pound transaction). He also developed and ran a c.US\$1.5 billion fibre network in Brazil owned jointly by National Grid, France Telecom and Sprint. Most notable amongst his many acquisition and divestiture activities, was his overseeing and integration of two c.US\$5 billion acquisitions whilst at AMT.

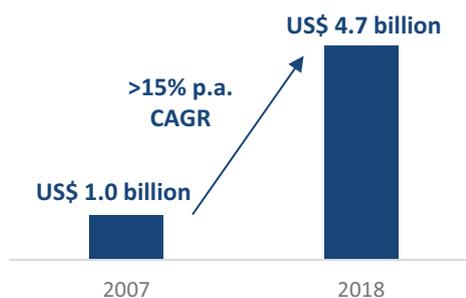
Alongside his work at the Investment Manager as Executive Chairman of Digital Infrastructure, Mr Marshall is Non-Executive Chairman of Next Gen Access UK (a long-distance fibre developer) as well as a board member of Tawal, Saudi Telecoms' newly formed tower subsidiary with 14,000 towers, and Non-Executive Chairman of Paradigm Infrastructure, an African Tower Developer.

*American Tower Corporation – market capitalisation*



(Source: Thomson Reuters)

*American Tower Corporation Adjusted EBITDA*



(Source: AMT Annual Reports (2017 & 2018))

***Benn Mikula – Managing Partner, Co-CEO and Head of Investments***

Benn Mikula has 30 years of experience in digital and related areas as an equities analyst, investment banker, board member and investor. He was a top-ranked analyst (in the Brendan Woods and other analyst polls) in technology and telecommunications technology whilst working at RBC Capital Markets; he subsequently ran the relevant industry research group. Whilst at RBC (where he was a Managing Director and Partner), he founded the Whistler Telecoms & Technology Conference, which brought together leading Digital Infrastructure, telecommunications, technology and media companies from Europe and North America. He subsequently became Managing Director and Head of European Technology Investment Banking at JPMorgan. During his tenure at JPMorgan, he advised major European Digital Infrastructure and telecoms equipment providers (most notably Nokia, Ericsson and Alcatel-Lucent). He advised on billions of dollars of capital raising, capital structure optimisation and M&A in Europe and North America.

Mr Mikula was a founder of a wireless communications company in Canada and was a founding Board Member of CoRadiant Inc., where he played a key role in raising the initial funding. CoRadiant was a first-generation cloud services and hosting company. CoRadiant was later sold to BMC at a multiple of originally invested capital.

In 2012, Mr Mikula structured the purchase of NY-based colocation provider Fibermedia, with a predecessor firm of the Investment Manager co-investing alongside a large US family office and served on the board of directors of the company. The company subsequently evolved into a leading edge data centre provider. He also serves as a member of the Advisory Board of CloudOps (a hybrid cloud company serving telecommunications operators as well as more

traditional cloud customers) after working with CEO Ian Rae at CoRadiant. He has served on the boards of large public and private companies and is currently Chairman of Hudson Greenland (where funds managed by the Investment Manager are a predominant equity investor). As Co-CEO of the Investment Manager (and the predecessor firm that purchased the Investment Manager from Ontario Teachers' Pension Plan and other shareholders), he has directed the Investment Manager's investing practice and played a leading role in many Digital Infrastructure investments. Since he assumed the role of Co-CEO in 2015, the Investment Manager's assets under management have doubled. Mr Mikula holds a B.A. and an M.A. from McGill University.

***David Kippen – Managing Director***

David Kippen brings a 25+ year background in M&A/corporate finance and private investing in the Telecom Media Technology (TMT) sectors, as well as energy, infrastructure and other sectors. Having been based in San Francisco, New York and London, he has worked on over 40 M&A transactions valued at over US\$30 billion during this time. In addition, he has worked on numerous private and public debt and equity financings in the TMT/Digital sectors and has been a board member of growth stage digital businesses and was an interim CFO of a publicly listed entity. He was a colleague of Benn Mikula in JPMorgan's Technology/TMT Investment Banking Group and subsequently moved to UBS before moving to high net worth advisory where he has managed direct private equity investment activities. Mr Kippen holds a BA from McGill University and a Masters from Johns Hopkins/SAIS.

***Hagai Shilo – Managing Director***

Hagai Shilo delivers 20 years of experience in private equity investing and exits, M&A and corporate finance. As a banker at JPMorgan and BNP Paribas, Mr Shilo has advised on ~US\$2 billion of M&A and raised financing (including for early-stage growth companies) of ~US\$7.5 billion. In addition, while working for two multi-billion family offices, Mr Shilo executed, as principal, the IPO of three portfolio companies on the LSE's AIM market, raising an aggregate amount ~US\$500 million. He also led the investment work related to half a billion dollars in private and publicly listed equities, was actively involved in portfolio oversight, including board positions, and was responsible for many successful exits. Mr Shilo was a colleague of Benn Mikula in JPMorgan's Technology/TMT Investment Banking Group. He holds a BA from Tel Aviv University and an MBA from Rotterdam School of Management, Erasmus University.

***Jean-François Sauv  – Managing Partner and Co-CEO***

Jean-Fran ois Sauv  has over 25 years of experience in the financial industry. He began his career at Barclays Bank in Toronto. He subsequently joined McLeod Young Weir Limited (rebranded ScotiaMcLeod Inc. and later the Scotia Capital Markets) and in 1993, became a Director of the Corporate and Government Finance Department. Thereafter he was named President of Pictet Canada L.P., where he was responsible for the North American operations of Pictet & Cie, Switzerland's foremost private bank. Mr. Sauv  is also a principal advisor to a major European family office. He is Chairman of the Jeanne Sauv  Foundation. He completed his degree in Business Administration at l' cole des Hautes  tudes Commerciales (HEC Montr al) and later earned an MBA at INSEAD in Fontainebleau, France. Mr Sauv  has over 10 years' telecom private equity and private debt investing experience, first working with Mr Mikula on a telecoms equity deal in 1996.

***Stephen Foss – Managing Director (Structuring and Syndication)***

Stephen Foss brings over 30 years of experience in capital markets and investing, most notably at RBC Capital Markets, where he was a senior Managing Director. He was responsible for the International Equities business for Europe and Australasia and subsequently led a senior client coverage effort for RBC's investment banking group with a particular focus on sovereign wealth funds. Mr Foss oversaw a substantial build-out of RBC's capabilities in Europe and served on the firm's European Operating Committee and Global Equity Operating Committee. He subsequently joined the partnership of Merlin Partners LLP, a merchant bank. Stephen was a member of the boards of Colombia-based Amerisur Resources plc, Octant Energy plc (based in East Africa) and is on the board of New &

Lingwood and Nutraformis Ltd. He has previously worked for the Sydney Stock Exchange, the Bank of Montreal in Canada and the UK, and has served as a director of BOE Securities in South Africa. Mr Foss has a BA (Hons.) from the University of Western Ontario.

### **3 THE INVESTMENT MANAGEMENT AGREEMENT**

The Company, the Investment Manager and CDIM have entered into the Investment Management Agreement, a summary of which is set out at paragraph 6.2 of Part 8 of this document. Under the terms of the Investment Management Agreement, the Investment Manager has directed that all annual management and performance fees payable under the agreement should be paid to CDIM, another member of the Cordiant Group.

#### ***Term of the Investment Management Agreement***

The Investment Management Agreement may be terminated by either the Company or the Investment Manager on not less than 12 months' prior written notice to the other party, such notice not to be served before the fourth anniversary of the date of Initial Admission (the "**Initial Term**").

#### ***Annual Management Fee***

Pursuant to the terms of the Investment Management Agreement, the Company shall pay to CDIM (as directed by the Investment Manager) an annual management fee (the "**Annual Management Fee**") on the following basis:

- 1.00 per cent. per annum of the Average Market Capitalisation up to, but not including, £500 million;
- 0.90 per cent. per annum of the Average Market Capitalisation that is between £500 million, up to and including £1 billion; and
- 0.80 per cent. per annum on such part of the Average Market Capitalisation that is in excess of £1 billion.

For the avoidance of doubt, the different percentages set out above shall be applied incrementally and not as against the total Average Market Capitalisation.

No Annual Management Fee shall accrue or be charged on the undeployed cash Initial Net Proceeds until such time as 75 per cent. of the Initial Net Proceeds have been deployed (meaning invested in, or committed to, the acquisition or development of Digital Infrastructure Assets).

The Annual Management Fee is calculated and accrues monthly and shall be invoiced monthly in arrears.

Subject to certain exceptions and the relevant regulatory and tax requirements, on a semi-annual basis, following the announcement of the Net Asset Value for the semi-annual periods ending 31 March and 30 September in each year (a "**NAV Announcement Date**"), CDIM shall apply an amount, in aggregate, equal to 10 per cent. of the Annual Management Fee for the relevant six-month period in the following manner:

- (a) if the Average Trading Price is equal to, or higher than, the last reported Net Asset Value per Ordinary Share (as adjusted to reflect any dividends reflected in the Average Trading Price) CDIM shall use the relevant amount to subscribe for new Ordinary Shares (rounded down to the nearest whole number of Ordinary Shares) issued at the Average Trading Price; or
- (b) if the Average Trading Price is lower than the last reported Net Asset Value per Ordinary Share (as adjusted to reflect any dividends reflected in the Average Trading Price) CDIM shall, as soon as reasonably practicable use the relevant amount to make market purchases of Ordinary Shares (rounded down to the nearest whole number of Ordinary Shares) within two months of the relevant NAV Announcement Date.

Even though the Annual Management Fee is payable on a monthly basis, Ordinary Shares will only be acquired by CDIM on a half-yearly basis.

Any Ordinary Shares subscribed or purchased by CDIM pursuant to the above arrangements will, subject to usual exceptions, be subject to a “lock-up” of 12 months from the date of subscription or purchase.

### ***Performance Fee***

Pursuant to the terms of the Investment Management Agreement, the Company shall pay to CDIM (as directed by the Investment Manager), on each Performance Fee Calculation Date, a performance fee, equal to 12.5 per cent. of the sum of the Excess Return multiplied by the time weighted average number of Ordinary Shares in issue (excluding Ordinary Shares held in treasury) during the relevant Performance Fee Payment Period to which the Performance Fee Calculation Date relates (the “**Performance Fee**”).

Any Performance Fee shall be satisfied as follows:

- as to 50 per cent. in cash; and
- as to the remaining 50 per cent. of the Performance Fee (the “**Performance Fee Investment Amount**”) and subject to certain exceptions and the relevant regulatory and tax requirements:
  - (i) if the Average Trading Price is equal to or higher than the last reported Net Asset Value per Ordinary Share (as adjusted to reflect any dividends reflected in the Average Trading Price) the Company will issue to CDIM such number of new Ordinary Shares (credited as fully paid) as is equal to the Performance Fee Investment Amount divided by the Average Trading Price (rounded down to the nearest whole number of Ordinary Shares); or
  - (ii) if the Average Trading Price is lower than the last reported Net Asset Value per Ordinary Share (as adjusted to reflect any dividends reflected in the Average Trading Price) then the Company shall (on behalf of, and as agent for, CDIM) apply the Performance Fee Investment Amount in purchasing (on the secondary market) Ordinary Shares, provided any such Ordinary Shares are purchased at prices below the last reported Net Asset Value per Ordinary Share.

Any Ordinary Shares subscribed or purchased by CDIM pursuant to the above arrangements will, subject to usual exceptions, be subject to a “lock-up” of 36 months from the date of subscription or purchase.

### ***Out-of-pocket expenses***

The Company will pay or reimburse the Investment Manager (or as it may direct) in respect of all out-of-pocket expenses properly incurred by the Investment Manager in respect of the performance of its obligations under the Investment Management Agreement including, but not limited to, third party due diligence costs, advisory, legal, consultancy or expert fees, travel costs and appraisal fees payable in connection with any acquisition, funding and day-to-day management of the portfolio.

Defined terms used in this paragraph 3 have the following meanings:

<b>Average Market Capitalisation</b>	means in relation to each month where the Annual Management Fee is payable, the mean average of the Market Capitalisation for each London Stock Exchange trading day of the relevant month;
<b>Average Trading Price</b>	the average of the middle market quotations of the Ordinary Shares (as adjusted to exclude any dividend which is included in such quotations) for the 20 London Stock Exchange trading days immediately preceding either: (i) the relevant NAV Announcement Date, or (ii) the relevant Performance Fee Calculation Date (as the case may be);
<b>Excess Return</b>	on any Performance Fee Calculation Date, the excess (if any) of the lower of: <ol style="list-style-type: none"><li>(a) the Share Price Total Return Index; and</li><li>(b) the NAV Total Return Index,</li></ol>

	over the Performance Hurdle Index on such Performance Fee Calculation Date;
<b>High Watermark</b>	the lower of the Share Price Total Return Index and the NAV Total Return Index on the last Performance Fee Calculation Date in respect of which a Performance Fee was payable by the Company or 100 if no Performance Fee has previously been paid;
<b>Market Capitalisation</b>	for any day, the aggregate of: (i) the closing mid-market price of an Ordinary Share quoted by Bloomberg (or such other pricing service as may be agreed between the Company and the Investment Manager from time to time) multiplied by the number of Ordinary Shares in issue as at 5.30 p.m. (London time) on such day, and (ii) (if relevant) the closing mid-market price of a C Share quoted by Bloomberg (or such other pricing service as may be agreed between the Company and the Investment Manager from time to time) multiplied by the number of C Shares in issue as at 5.30 p.m. (London time) on such day;
<b>NAV Total Return Index</b>	on any Performance Fee Calculation Date, the index of Net Asset Value per Ordinary Share with dividends reinvested at the prevailing Net Asset Value, and as adjusted from time to time to take into account any Reconstruction;
<b>Performance Fee Calculation Date</b>	(i) 31 March 2024, and (ii) thereafter 31 March in each year (or in respect of the Performance Period in which the Investment Manager Agreement is terminated, the effective date of such termination);
<b>Performance Fee Payment Period</b>	the period from the date of the High Watermark (or the date of Initial Admission if no Performance Fee has previously been paid) to the Performance Fee Calculation Date at which a Performance Fee is paid;
<b>Performance Hurdle Index</b>	on any Performance Fee Calculation Date, the High Watermark as increased by an annually compounding rate of 9 per cent. per annum, calculated from the date the High Watermark was set or Initial Admission if no Performance Fee has been paid, and as adjusted from time to time to take into account any Reconstruction;
<b>Performance Period</b>	(i) the period from Initial Admission to the first Performance Fee Calculation Date, and (ii) thereafter the 12 month period ending on the Performance Fee Calculation Date in each year;
<b>Performance Period Average Market Capitalisation</b>	in relation to a Performance Period, the mean average of the Market Capitalisation for each London Stock Exchange trading day of the relevant Performance Period;
<b>Reconstruction</b>	any reconstruction, amalgamation or adjustment relating to the share capital of the Company (or any share, stock or security derived therefrom or convertible therein);
<b>Relevant Share Price</b>	the closing middle market price (as quoted by Bloomberg or such other pricing service as may be agreed between the Company and the Investment Manager from time to time) for an Ordinary Share on the relevant Performance Fee Calculation Date; and
<b>Share Price Total Return Index</b>	on any Performance Fee Calculation Date, the index of the Relevant Share Price with dividends reinvested on the ex-dividend date and as adjusted from time to time to take into account any Reconstruction.

### ***Fees payable in the event of a takeover of the Company***

Where the Company is subject to a takeover offer which is declared unconditional for the purposes of the Takeover Code (a “**Completed Takeover**”), CDIM (as directed by the Investment Manager) shall be entitled to receive from the Company all fees due and payable up to the date of termination of the Investment Management Agreement (including, but not limited to, the Annual Management Fee and the Performance Fee).

For the purposes of calculating the Performance Fee due to CDIM (as directed by the Investment Manager) following a Completed Takeover:

- (i) the date the Completed Takeover is declared unconditional as to acceptances shall be treated as a Performance Fee Calculation Date;
- (ii) the Excess Return shall be calculated as the excess (if any) of the higher of: (a) the Share Price Total Return Index; and (b) the NAV Total Return Index, over the Performance Hurdle Index on such date; and
- (iii) the Performance Fee shall be payable 100 per cent. in cash.

In addition, following a Completed Takeover being declared unconditional for the purposes of the Takeover Code, CDIM (as directed by the Investment Manager) shall be entitled to receive from the Company a payment in cash (the “**Takeover Terminal Fee**”) equal to:

A x B

Where:

A = the amount of the Annual Management Fee calculated on: (a) the date the “approach” relating to the Completed Takeover was made for the purposes of the Takeover Code, or (b) the date the Completed Takeover is declared unconditional as to acceptances for the purposes of the Takeover Code (whichever is higher), divided by 12; and

B = the sum of: (i) the unexpired portion (if any) of the Initial Term (calculated with effect from the date the “approach” relating to the Completed Takeover was made for the purposes of the Takeover Code) expressed as a number of whole calendar months (or zero if the Initial Term shall have expired by such date), and (ii) 12.

For the avoidance of doubt, the Takeover Terminal Fee shall be payable in addition to (and not in substitution for) any fees payable to CDIM (as directed by the Investment Manager) on termination under the terms of the Investment Management Agreement, including Performance Fees (as calculated above).

## **4 OTHER ARRANGEMENTS**

### **4.1 Administrator and Company Secretary**

Ocorian Administration (Guernsey) Limited will be responsible for the day to day administration and company secretarial functions of the Company (including but not limited to the maintenance of the Company’s accounting records, the calculation and publication of the semi-annual unaudited Net Asset Value and the production of the Company’s annual and interim report). Prospective investors should note that it is not possible for the Administrator to provide any investment advice to investors.

The Administrator will be responsible for monitoring regulatory compliance and providing support to the Board’s corporate governance process and its continuing obligations under the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules.

The Administrator is entitled to an annual fee of £125,000 (exclusive of VAT and expenses) and certain variable additional fees for additional services or corporate actions of the Company or any of its subsidiaries.

The Administrator is a company incorporated in Guernsey with limited liability on 29 July 2003 and is licensed by the GFSC under the provisions of the POI Law to conduct certain restricted investment and administrative activities in relation to collective investment schemes. The Administrator, for the purposes of the POI Law and the RCIS Rules, is the “designated administrator” of the Company. The Administrator’s ultimate holding company is Orthus Limited.

Details of the Administration and Company Secretarial Services Agreement are set out in paragraph 6.3 of Part 8 of this document.

#### **4.2 Registrar**

The Company utilises the services of Computershare Investor Services (Guernsey) Limited as registrar in relation to the transfer and settlement of its issued shares. Under the terms of the Registrar Agreement, the Registrar is entitled to a fee calculated by reference to the number of shareholders and the number of transfers processed (exclusive of VAT). In addition, the Registrar is entitled to certain other fees for ad hoc services rendered from time to time.

Details of the Registrar Agreement are set out in paragraph 6.4 of Part 8 of this document.

#### **4.3 Receiving Agent**

The Company has appointed Computershare Investor Services PLC to act as the Company's receiving agent for the purposes of the Offer for Subscription pursuant to the Receiving Agent Agreement.

Details of the Receiving Agent Agreement are set out in paragraph 6.5 of Part 8 of this document.

#### **4.4 Auditor**

BDO Limited will provide audit services to the Company. The annual report and accounts will be prepared according to the accounting standards laid out under IFRS. The fees charged by the Auditor will depend on the services provided and on the time spent by the Auditor on the affairs of the Company. There is therefore no maximum amount which will be payable to the Auditor.

### **5 FEES AND EXPENSES**

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

The formation and initial expenses of the Company are those that arise from, or are incidental to, the establishment of the Company, the Initial Issue and Initial Admission. These expenses include the fees and commissions payable under the Placing and Offer Agreement, Receiving Agent's fees, admission fees, printing, legal and accounting fees and any other applicable expenses which will be met by the Company and paid on or around Initial Admission out of the Initial Gross Proceeds.

The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue are expected to be approximately £6 million, equivalent to 2 per cent. of the Initial Gross Proceeds, assuming Initial Gross Proceeds of £300 million. The costs will be deducted from the Initial Gross Proceeds. Irrespective of the Initial Gross Proceeds, these costs are capped at 2 per cent of the Initial Gross Proceeds. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue. It is expected that the starting Net Asset Value per Ordinary Share will be approximately 98 pence.

#### **5.2 Placing Programme expenses**

The costs and expenses of the Company relating to the Placing Programme are those that arise from, or are incidental to, the issue of Shares pursuant to Subsequent Placings. These include the fees payable in relation to each subsequent Admission, including admission fees, as well as fees and commissions due under the Placing and Offer Agreement and any other applicable expenses in relation to the Placing Programme. It is currently anticipated that the costs and expenses of any Subsequent Placing will not exceed 2 per cent. of the gross proceeds of the relevant Subsequent Placing and will be borne by the holders of the Ordinary Shares or C Shares (as the case may be) as outlined below.

The costs and expenses of issuing Ordinary Shares pursuant to any Subsequent Placing will be covered by issuing such Ordinary Shares at the prevailing estimated Net Asset Value per Ordinary Share at the time of issue together with a premium to at least cover the costs and expenses of such issue (including, without limitation, any placing commissions). C Shares (if any) issued pursuant to the Placing Programme will be issued at 100 pence per C Share and the costs and expenses of any issue of C Shares will be allocated solely to the C Share pool of assets.

### 5.3 Ongoing annual expenses

The Company will also incur ongoing annual expenses which will include fees paid to the Investment Manager and other service providers as described above in addition to other expenses. In aggregate, ongoing annual expenses are currently expected to amount to 1.26 per cent. of Net Asset Value per annum (excluding all costs associated with making and realising investments), once the Company is fully invested and assuming a Net Asset Value on Initial Admission of £294 million. Subject to Board oversight of expenditure, the Company will also absorb the cost of all expenses related to identifying, analysing, negotiating and closing potential and actual investments.

## 6 INVESTMENT PROCESS

The investment process to be undertaken by the Investment Manager will be as follows:

### 6.1 Sourcing investments

The Investment Manager has an extensive network of relationships capable of delivering new and proprietary potential investment opportunities for the Group.

The Investment Manager will target predominantly operational Digital Infrastructure Assets, either as single assets or portfolios of assets.

### 6.2 Development

The Group may finance the development of new Digital Infrastructure Assets in circumstances where the Investment Manager has identified an attractive opportunity which meets the Company's investment objective and the criteria set out in the investment policy. This would take the form of investing in a development project that has been de-risked through the securing of an anchor tenant. It is the view of the Investment Manager that many Digital Infrastructure projects do not have significant construction risk because of the relatively limited number of design patterns and the deep expertise of leading engineering firms in the area.

### 6.3 Review and approval

The Board shall have overall responsibility for the management of the Company and shall oversee compliance with the Company's investment objective and investment policy. When any potential acquisition, disposal or development opportunity (an "**Investment Opportunity**") is identified by the Digital Infrastructure Investment Team, the Investment Manager will undertake an initial due diligence/analysis on the Investment Opportunity in order to verify that it meets the Company's investment objective and investment policy and is commercially sound.

If the outcome of the initial due diligence/analysis process is positive, the Investment Manager will provide the Board with initial details of the proposed Investment Opportunity.

When the Investment Manager's investment committee has approved the Investment Opportunity, it shall deliver to the Board, as soon as reasonably practicable, a presentation on the Investment Opportunity.

The Board shall review the Investment Opportunity and confirm that the Investment Opportunity conforms to the Company's investment objective and investment policy (and does not pose any obvious risks for the Company) and shall provide its feedback to the Investment Manager as soon as reasonably practicable.

Any decision to proceed with the Investment Opportunity will be the sole responsibility of the Investment Manager.

### 6.4 Investment execution

Where an Investment Opportunity proceeds to the execution phase, in addition to carrying out further due diligence on the Investment Opportunity (as applicable), the Investment Manager will:

- project manage the transaction, including co-ordinating the work of other professional advisers and service providers, including technical advisers and engineers, lawyers, accountants, and tax advisers;
- lead on the negotiations with any third party (whether buying, selling, refinancing, or otherwise) and the third party's agent (if any);

- lead on the negotiation and structuring of the transaction to ensure it meets the Company's investment objective and investment policy;
- lead on the negotiation and structuring of any borrowings relating to the transaction;
- lead on the preparation and negotiation of any new commercial agreements, or review the implications of any existing commercial agreements; and
- lead on the preparation of final documentation (in conjunction with legal and accounting advisers).

## 6.5 Investment development, monitoring and reporting

The Investment Manager will continually monitor the progress of the Company's investments, including participation on the boards of Investee Companies. This will include regular meetings with Investee Company management teams. Decisions on follow-on capital expenditure and bolt-on M&A transactions in relation to existing investments will be made by the Investment Manager subject to the oversight of the Board.

A critical element in the Investment Manager's value creation process for the Company's Digital Infrastructure Assets will be to enhance the operational effectiveness of Investee Company operations. This will include:

**Tailoring strategy to an evolving market:** unlike other infrastructure markets, such as toll roads or power generated by wind turbines, assets in the Digital Infrastructure sector (which are long-lived assets with limited obsolescence risk) generally serve multiple customers. They provide core infrastructure services to customers facing a rapidly evolving market characterised by significant change in the hardware and software they use to service their own customers or citizens (in the case of government customers). In effect, the Digital Infrastructure layer is the stable platform on which customers erect a rapidly changing superstructure of hardware and software. Strategic input by the Investment Manager must therefore account for this environment and for the risks and opportunities attendant upon them.

**Understanding how to drive sales:** for example, (i) does the Investee Company have different people focused on build-to-suit discussions with carriers (new build – build to order) and finding second or third customers on already built infrastructure? (ii) How does the Investee Company structure its sales organisation and bonus/commission structures? (iii) How well-adapted are existing facilities to specific customer use cases? (iv) What is the actual incremental sales capacity of an asset (i.e. wind adjusted load factors at a tower or available power at a data centre in light of existing and likely future customer power densities)? (v) Does the Investee Company have systems in place to facilitate rapid lease-up of its assets? (vi) Does the Investee Company have the commercial experience to develop innovative pricing and service solutions for its customers?

**Efficiently process changes/expansions to existing leases on already-built infrastructure:** this is an area where properly designed systems can increase quality of interaction, customer satisfaction and profits.

**Asset integrity audits:** for example, have customers added network gear to a tower or data centre and "forgotten" to inform the infrastructure owner. Well managed tower companies will periodically audit the equipment on the tower to ensure that the customer is paying for all the equipment installed.

**Lease and land management:** understanding how to ensure that land tenure under towers or fibre is secure is critical. Comprehending how to have leases with staggered expiry dates is also a valuable skill the Investment Manager can deploy.

**Effective cash management:** having the ability to enhance company operations, and do so in a measured context of growth and expansion, allows the Investment Manager to de-risk these investments.

The Investment Manager will prepare valuation statements for the portfolio in each six month period (working with the Administrator) in accordance with the valuation methodologies outlined in Part 1 of this document.

The Investment Manager will also prepare the relevant sections of the half year and annual reports for the Company relating to the portfolio, together with the report of the Investment Manager, and any periodic disclosures required to be made in accordance with the UK AIFM Regime and/or the EU AIFM Directive.

Amongst other general roles, the Investment Manager will also work closely with the Company's advisers to assist in the preparation of relevant regulatory announcements and in the observation of other ongoing regulatory obligations of the Company.

The Investment Manager shall supply to the Board for its information any reports on investments, due diligence reports or any other information in relation to Investment Opportunities as may be requested from time to time.

## **6.6 Holding and exit strategy**

The Company's holding period and exit strategy for each asset will depend on the characteristics of the asset, transaction structure, exit price potentially achievable, suitability and availability of alternative investments (capital recycling), balance of the portfolio and lot size of the asset as compared to the value of the portfolio. While the Directors intend to hold the Company's investments on a long term basis, the Company may dispose of investments or Platforms should an appropriate opportunity arise where, in the Investment Manager's opinion, the value that could be realised from such disposal would represent a satisfactory return on the investment and/or otherwise enhance the value of the Company as a whole, having consideration to the Company's investment objective and investment policy.

## **6.7 Conflict management**

### ***General***

The Investment Manager must take all reasonable steps to identify conflicts of interest that arise in the course of managing the Company between the Investment Manager (including its managers, employees or any person directly or indirectly linked to the Investment Manager by control or affiliation) and the Company or Shareholders, the Company or Shareholders and another client of the Investment Manager (including another investment fund or its investors), and any two (or more) clients of the Investment Manager.

The Investment Manager has adopted policies and procedures reasonably designed to appropriately prevent, limit or mitigate conflicts of interest and to comply with applicable law where the activities that give rise to conflicts of interest are limited and/or prohibited by law, unless an exception is available; in order to prevent them from adversely affecting the interests of the Company and Shareholders.

The Investment Manager must segregate, within its own operating environment, tasks and responsibilities which may be regarded as incompatible with each other or which may potentially generate systematic conflicts of interest. The Investment Manager must assess whether its operating conditions may involve any other material conflicts of interest and disclose them to the Company.

Where organisational arrangements made by the Investment Manager to identify, prevent, manage and monitor conflicts of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to investors' interests will be prevented, the Investment Manager must clearly disclose the general nature or sources of conflicts of interest to the Company before undertaking business on its behalf, and develop appropriate additional policies and procedures.

In the event of a conflict of interest arising, the Investment Manager will ensure that it is resolved fairly and in particular, that any transactions are effected on terms which are not materially less favourable to the Company than if the potential conflict had not existed.

The Investment Manager will treat all of the Company's investors fairly and will not allow any investor to obtain preferential treatment, unless such treatment is disclosed in this document. The Investment Manager and its affiliates may from time to time act for other clients or manage other funds, which may have similar investment objectives and policies to that of the Company. The Directors have satisfied themselves that the Investment Manager and its

affiliates have procedures in place to address potential conflicts of interest and that, where a conflict arises, the Investment Manager and its affiliates will allocate the opportunity on a fair basis.

It is not anticipated that the Company will acquire assets from, or dispose of asset to, another fund, investment vehicle or segregated account managed by the Cordiant Group. In the event that this opportunity were to arise, any investment decision relating to such assets would be subject to Board approval. In addition, the Investment Manager will not undertake investments variously in the debt and equity of a potential Investee Company using different funds, investment vehicles or segregated accounts over which it has management authority.

The Directors are required by the RCIS Rules to take all reasonable steps to ensure that there is no breach of the conflicts of interest requirements of the RCIS Rules.

### ***Asset allocation***

Notwithstanding the Investment Manager's allocation policy, the Investment Manager has undertaken that in relation to any investment opportunity sourced or originated by the Cordiant Group that falls within the scope of the Company's investment policy (a "**Guideline Investment**") the following policy will be followed:

- (a) all Guideline Investments will first be internally allocated by the Investment Manager to the Company in full;
- (b) the Investment Manager will then determine whether the Company is technically able to make the Guideline Investment (in whole or in part) by assessing: (i) the Guideline Investment against the Company's investment policy, (ii) whether the Company has the funds available to finance the Guideline Investment, and (iii) whether the Guideline Investment contributes sufficiently to the Company's target returns;
- (c) if the Investment Manager determines that the Company is not technically able to make the Guideline Investment then other funds or accounts managed by the Cordiant Group will be free to make the Guideline Investment (to the extent that the opportunity remains);
- (d) if the Company is technically able to make the Guideline Investment, but the Investment Manager determines that either: (i) it would be inappropriate for the Company to make the Guideline Investment, or (ii) recommends that the Company only makes a partial investment in the Guideline Investment alongside one or more other funds or accounts managed by the Cordiant Group or a third party investor, the Investment Manager shall discuss this decision with the Board and shall take into account any comments or instructions from the Board;
- (e) if the Board agrees with the Investment Manager's decision, then other funds or accounts managed by the Cordiant Group will be free to make the Guideline Investment (to the extent that the opportunity remains);
- (f) if the Company decides to partially invest in the Guideline Investment, then any other funds or accounts managed by the Cordiant Group may be offered the opportunity to take up the balance of the investment; and
- (g) in circumstances where both the Company and another fund or account managed by the Cordiant Group co-invest in the same Guideline Investment, the Investment Manager shall ensure that they will invest on substantially the same terms.

## **7 CORPORATE GOVERNANCE**

The Disclosure Guidance 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 Board has considered the principles and recommendations of the AIC Code. The AIC Code addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to listed investment companies. The Board considers that reporting against the principles and recommendations of the AIC Code, will provide better information to Shareholders. As a recently incorporated company, the Company does not yet

comply with the UK Corporate Governance Code or the principles of good governance contained in the AIC Code. However, the Company intends to join the AIC as soon as practicable following Initial Admission, and arrangements have been put in place so that, with effect from Initial Admission, the Company will comply with the AIC Code.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive; and
- executive directors' remuneration.

It is acknowledged in the UK Corporate Governance Code that some of its provisions may not be relevant to externally managed investment companies (such as the Company). The Board does not consider that the above provisions are relevant to the Company. The Company will therefore not comply with these provisions. In addition, the UK Corporate Governance Code includes provisions relating to the need for an internal audit function. The Board will review, on an annual basis, whether the Company should have an internal audit function.

The GFSC's Finance Sector Code of Corporate Governance (the "**Code**") applies to the Company. The GFSC has stated in the Code that companies which report against the UK Corporate Governance Code or the AIC Code are deemed to meet the requirements of the Code and need take no further action. Accordingly, as the Company will report against the AIC Code, it will be deemed to meet the requirements of the Code.

The Company's Audit Committee is chaired by Sian Hill and also includes Marten Pieters and Simon Pitcher. The Audit Committee will meet at least two times a year. The Board considers that the members of the Audit Committee have the requisite skills and experience to fulfil the responsibilities of the Audit Committee. The Audit Committee will examine the effectiveness of the Company's control systems. It will review the half-yearly and annual reports and receive information from the Investment Manager. It will also review the scope, results, cost effectiveness, independence and objectivity of the external auditor.

In accordance with the AIC Code, the Company has established a Management Engagement Committee which is chaired by Shonaid Jemmett-Page and consists of Sian Hill and Marten Pieters. The Management Engagement Committee will meet at least once a year or more often if required. Its principal duties will be to consider the terms of appointment of the Investment Manager and other service providers and it will annually review those appointments and the terms of engagement.

The Company's Nomination Committee is chaired by Shonaid Jemmett-Page and consists of Sian Hill and Marten Pieters. The Nomination Committee will meet at least once a year or more often if required. Its principal duties will be to advise the Board on succession planning bearing in mind the balance of skills, knowledge and experience existing on the Board and will make recommendations to the Board in this regard. The Nomination Committee will advise the Board on its balance of relevant skills, experience, gender, race, age and length of service of the Directors serving on the Board. All appointments to the Board will be made in a formal and transparent matter.

As the Company has no executive directors, the Board has not established a separate remuneration committee, and discussions regarding Directors' remuneration shall be undertaken by the full Board.

## **8 DIRECTORS' SHARE DEALINGS**

The Directors will comply with the share dealing code adopted by the Company in relation to their dealings in Shares. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with the share dealing code by the Directors.

## PART 5

### THE INITIAL ISSUE

#### 1 INTRODUCTION

The Company is targeting an issue of 300 million Ordinary Shares pursuant to the Initial Issue comprising the Initial Placing and the Offer for Subscription. The Initial Issue has not been underwritten. The maximum number of Ordinary Shares to be issued under the Initial Issue is 500 million. The minimum size of the Initial Issue is 150 million Ordinary Shares. Placees and subscribers in the Initial Issue will also be issued, for nil value, one Subscription Share for every eight Ordinary Shares subscribed in the Initial Issue.

The total number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Initial Gross Proceeds, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service announcement and the Company's website prior to Initial Admission.

The Initial Net Proceeds, after deduction of expenses, are expected to be £294 million on the assumption that the Initial Gross Proceeds are £300 million. Irrespective of the Initial Gross Proceeds, these costs are capped at 2 per cent of the Initial Gross Proceeds.

Application will be made for the Ordinary Shares and Subscription Shares issued and to be issued pursuant to the Initial Issue to be admitted to trading on the Specialist Fund Segment. It is expected that Initial Admission will become effective and dealings in the Ordinary Shares and Subscription Shares will commence at 8.00 a.m. on 16 February 2021.

#### 2 THE INITIAL ISSUE

##### **Overview**

Ordinary Shares will be issued pursuant to the Initial Issue at an Issue Price of 100 pence per Ordinary Share.

The Initial Issue is conditional, *inter alia*, on: (i) Initial Admission having become effective on or before 8.00 a.m. on 16 February 2021 or such later time and/or date as the Company, the Investment Manager and Investec may agree (being not later than 8.00 a.m. on 31 March 2021); (ii) the Placing and Offer Agreement becoming wholly unconditional in respect of the Initial Issue (save as to Initial Admission) and not having been terminated in accordance with its terms at any time prior to Initial Admission; and (iii) the Minimum Gross Proceeds (or such lesser amount as the Company, the Investment Manager and Investec may agree) being raised.

If the Initial Issue does not proceed (due to the Minimum Gross Proceeds (or such lesser amount as the Company, the Investment Manager and Investec may agree) not being raised or otherwise), any monies received under the Initial Issue will be returned without interest (at the risk of the applicant) to the applicant from whom the money was received, within 14 calendar days.

If the Minimum Gross Proceeds are not raised, the Initial Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA.

##### **The Initial Placing**

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

The Ordinary Shares are being made available under the Initial Placing at the Issue Price. The terms and conditions that shall apply to any subscription for Ordinary Shares under the Initial Placing are set out in Part 5 of this document. The latest time and date for receipt of commitments under the Initial Placing is 12.00 noon on 12 February 2021 (or such later date, not being later than 31 March 2021, as the Company, the Investment Manager and Investec may agree).

If the Initial Placing is extended, the revised timetable will be notified via a Regulatory Information Service announcement.

Each Placee agrees to be bound by the Articles once the Ordinary Shares that the Placee has agreed to subscribe for pursuant to the Initial Placing have been acquired by the Placee. The contract to subscribe for the Ordinary Shares under the Initial Placing and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales.

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

### ***The Offer for Subscription***

The Company is making an offer of Ordinary Shares pursuant to the Offer for Subscription at the Issue Price, subject to the Terms and Conditions of Application as set out in Part 13 of this document. The Terms and Conditions of Application and the Application Form set out at Appendix 1 to this document should be read carefully before an application is made. Investors should consult their independent financial adviser if they are in any doubt about the contents of this document or the acquisition of Ordinary Shares.

The Offer for Subscription is being made in the UK and Isle of Man only.

Applications under the Offer for Subscription must be for Ordinary Shares with a minimum subscription amount of £1,000 and thereafter in multiples of £100. Application Forms accompanied by a cheque or banker's draft in Sterling made payable to "**CIS PLC re: CDI Limited – OFS A/C**" and crossed "A/C Payee Only" for the appropriate sum should be returned to the Receiving Agent by no later than 11.00 a.m. on 12 February 2021.

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 12 February 2021. Please contact Computershare Investor Services PLC by email at [OFSPaymentQueries@computershare.co.uk](mailto:OFSPaymentQueries@computershare.co.uk) (quoting CDI OFS) and Computershare will then provide applicants with a unique reference number which must be used when sending payment.

Applicants choosing to settle via CREST, that is DVP, will need to match their instructions to the Receiving Agent's Participant Account 8RA27 by no later than 11.00 a.m. on 15 February 2021, allowing for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per Ordinary Share in Sterling through the CREST system upon the settlement date, following the CREST matching criteria set out in the Application Form.

If the Offer for Subscription is extended, the revised timetable will be notified via a Regulatory Information Service announcement.

### ***The Subscription Share Issue***

Each Placee and subscriber in the Initial Issue will, in addition, be issued, for nil value, a Subscription Share on the basis of one Subscription Share for every eight Ordinary Shares subscribed pursuant to the Initial Issue, on the terms and conditions set out in Part 9 of this document. For the avoidance of doubt, fractions of Subscription Shares will not be issued and entitlements will be rounded down to the nearest whole number of Subscription Shares.

#### ***Terms of the Subscription Shares***

Each Subscription Share will confer the right (but not the obligation) to subscribe for one Ordinary Share upon exercise of the Subscription Right and payment of the applicable Subscription Price in cash.

Subscription Rights may be exercised for all or any of the Ordinary Shares to which a holder's Subscription Shares relate:

- (i) up to 1.00 p.m. on any Business Day (but being not less than 10 Business Days prior to, and including, the last Business Day of the relevant month) but shall take effect as at 5.00 p.m. on the last Business Day of the relevant month, in the period between 1 March 2021 and 31 August 2021; and thereafter,

- (ii) up to 1.00 p.m. on any Business Day (but being not less than 10 Business Days prior to, and including, the last Business Day in February or August, whichever is next following) but shall take effect as at 5.00 p.m. on the last Business Day in February and August (whichever next follows the date of exercise) in each calendar year up to, and including, the date being 10 Business Days prior to, and including, the last Business Day in February 2026 (the “**Final Subscription Date**”); and
- (iii) on any other date falling prior to the Final Subscription Date determined by the Directors in their absolute discretion from time to time,

(any date on which subscription occurs being a “**Subscription Date**”).

The price per Ordinary Share payable on the exercise of Subscription Rights (the “**Subscription Price**”) shall be determined by the Company as being equal to A less B (rounded up to the nearest whole penny payable in full in Sterling on subscription) where:

A – is the Headline Subscription Price (as set out below); and

B – is the cumulative amount of all distributions (including both dividend income and income which is designated as an interest distribution for UK tax purposes) paid in relation to an Ordinary Share up to the Subscription Date.

The Headline Subscription Price is:

<b>Where the Subscription Date is:</b>	<b>Headline Subscription Price (p)</b>
between 1 March 2021 and 31 August 2021	100.00
between 1 September 2021 and 28 February 2022	109.00
between 1 March 2022 and 28 February 2023	118.81
between 1 March 2023 and 29 February 2024	129.50
between 1 March 2024 and 28 February 2025	141.16
between 1 March 2025 and 28 February 2026	153.86

It is expected that an announcement setting out adjustments to the applicable Subscription Price will be made at the time the dividend or distribution is declared by the Company.

The Articles provide that the Subscription Price is subject to adjustment upon the occurrence of certain corporate events affecting the Company before the Final Subscription Date. The relevant corporate events include pre-emptive offers of securities to Ordinary Shareholders, takeover offers and the liquidation of the Company. Such adjustments serve to protect any intrinsic value of the Subscription Shares or the time value of the Subscription Shares, or both.

The Articles also provide for certain circumstances whereby the Subscription Rights may be modified, for example, in the event that the Company is subject to a takeover offer, to the extent that any Subscription Rights remain unexercised at that time.

A detailed explanation of the rights of the Subscription Shares is set out in Part 9 of this document.

Information relating to the Company and the Ordinary Shares (including the market price of the Ordinary Shares) will be available to holders of the Subscription Shares free of charge on the Company’s website at [www.cordiantdigitaltrust.com](http://www.cordiantdigitaltrust.com).

The Subscription Shares will be admitted to trading on the Specialist Fund Segment, however, there is no assurance that an active market will develop in the Subscription Shares. The price at which a Subscription Share may trade from time to time will be dependent upon a number of factors in particular the price and relative market demand for the Ordinary Shares and whether the market price of an Ordinary Share is above or below the relevant Subscription Price at any point in time.

*Benefits of the Subscription Share Issue*

The Directors believe the issue of the Subscription Shares to investors in the Initial Issue will have the following benefits for such investors:

- Subscription Shares allow investors to participate in the future growth in the Company's Net Asset Value by giving them the choice to subscribe in the future for Ordinary Shares at a date of their choosing within the exercise period at a pre-determined price;
- investors will receive readily tradeable securities with a monetary value which may be converted into Ordinary Shares during the exercise period or sold in the secondary market;
- individual investors who are UK tax resident will receive securities that are qualifying investments for the stocks and shares component of an ISA, and are eligible for inclusion in a SIPP;
- any exercise of Subscription Rights will increase the capital available for the Company to invest in accordance with its investment policy and which may enhance the future growth of the Company's Net Asset Value;
- on any exercise of Subscription Rights, the capital base of the Company will increase, allowing operating costs to be spread across a larger number of Ordinary Shares and hence the Ongoing Charges Ratio should fall; and
- following the exercise of Subscription Rights, the Company will have an increased number of Ordinary Shares in issue, which may improve the liquidity in the market for its Ordinary Shares.

#### *Exercise of Subscription Rights*

In order to exercise the Subscription Rights, in whole or in part, which are conferred by any Subscription Shares that are in certificated form, the Subscription Shareholder must lodge the relevant Subscription Share certificate(s) and a certificated subscription notice in such form as the Directors may specify from time to time (a "**Certificated Subscription Notice**") at the office of the registrars for the time being of the Company by not later than 1.00 p.m. on the relevant Subscription Date, having completed Certificated Subscription Notice, accompanied by a remittance for the aggregate Subscription Price for the Ordinary Shares in respect of which the Subscription Rights are exercised. Any notice of exercise received after 5.00 p.m. on any Business Day will be treated as having been received on the following Business Day. Once lodged, a Certificated Subscription Notice shall be irrevocable save with the consent of the Directors. Compliance must also be made with any statutory and regulatory requirements for the time being applicable.

The Subscription Rights which are conferred by any Subscription Shares that are in uncertificated form (CREST) on the relevant Subscription Date shall be exercisable, in whole or in part, (and treated by the Company as exercised) on the relevant Subscription Date if by not later than 1.00 p.m. on the relevant Subscription Date, (i) an Uncertificated Subscription Notice is received as referred to below and (ii) a remittance for the aggregate Subscription Price for the Ordinary Shares in respect of which the Subscription Rights are being exercised is received by the Company or by such person as it may require for these purposes in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the facilities and requirements of the Relevant Electronic System concerned). For these purposes, an "**Uncertificated Subscription Notice**" shall mean an Unmatched Stock Event ("**USE**") instruction in CREST. Without prejudice to the generality of the foregoing, the effect of the Uncertificated Subscription Notice may be such as to divest the holder of the Subscription Shares concerned of the power to transfer such Subscription Shares to another person. Once lodged, an Uncertificated Subscription Notice shall be irrevocable save with the consent of the Directors. To be effective, compliance must also be made with any statutory and regulatory requirements for the time being applicable. In particular, unless otherwise agreed with the Company, the exercising Subscription Shareholder must, on or before the Subscription Date, deliver to the Company Secretary at the Company's registered office a supplementary subscription notice in such form as the Directors may specify from time to time.

The USE 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:

- the number of Subscription Shares for which application is being made and hence the number of the Subscription Shares being delivered;
- the ISIN of the Subscription Shares which is GG00BMDGQT90;
- the participant ID of the accepting CREST member
- the member account ID of the accepting CREST member from which the subscription shares are to debited
- the participant ID of Computershare, in its capacity as a CREST registrar. This is 3RA19;
- the member account ID of Computershare, in its capacity as a CREST registrar. This is CORDNSUB;
- the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Subscription Shares referred to in the relevant Subscription Price announcement
- the intended settlement date.
- the Corporate Action Number. This will be available by viewing the relevant corporate action details in CREST.

In order to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 1.00 p.m. of the intended settlement date

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction: (i) a contact name and telephone number (in the free format shared note field); and (ii) a priority of at least 80.

### **3 SCALING BACK AND ALLOCATION**

The results of the Initial Issue will be announced by the Company via a Regulatory Information Service.

In the event that commitments under the Initial Placing and valid applications under the Offer for Subscription exceed the maximum number of Ordinary Shares available under the Initial Issue (being 500 million Ordinary Shares), applications under the Initial Placing and Offer for Subscription will be scaled back at the discretion of the Company (after consulting Investec).

The Company reserves the right to decline in whole or in part any application for Ordinary Shares pursuant to the Initial Issue.

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 applicant from whom the money was received, within 14 calendar days following the close of the Initial Issue.

### **4 REASONS FOR THE INITIAL ISSUE AND USE OF PROCEEDS**

The Initial Issue is intended to raise money for investment in accordance with the Company's investment objective and policy.

The Directors intend to use the Initial Net Proceeds, after providing for the Company's operational expenses, to purchase investments in line with the Company's investment objective and investment policy.

In addition, the Directors intend to use the proceeds arising from the exercise of any Subscription Shares from time to time to acquire investments in accordance with the Company's investment objective and investment policy and for general corporate purposes.

The Company expects the Initial Net Proceeds to be invested or committed within a period of twelve months after Initial Admission (subject to market conditions). There can be no guarantee that initial deployment of the Initial Net Proceeds will be achieved in the timeframe referred to above.

## **5 COSTS OF THE INITIAL ISSUE**

The formation and initial expenses of the Company are those that arise from, or are incidental to, the establishment of the Company, the Initial Issue and Initial Admission.

The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue are expected to be approximately £6 million, equivalent to approximately 2 per cent. of the Initial Gross Proceeds, assuming Initial Gross Proceeds of £300 million. Irrespective of the Initial Gross Proceeds, these costs are capped at 2 per cent of the Initial Gross Proceeds. The costs will be deducted from the Initial Gross Proceeds. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue. It is expected that the starting Net Asset Value per Ordinary Share will be approximately 98 pence.

## **6 WITHDRAWAL**

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

Investors under the Offer for Subscription wishing to exercise statutory withdrawal rights after the publication of a supplementary prospectus prior to Initial Admission must do so by lodging written notice of withdrawal to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6AH or by emailing [OFSPaymentQueries@computershare.co.uk](mailto:OFSPaymentQueries@computershare.co.uk) so as to be received no 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 after expiry of such period will not constitute a valid withdrawal.

## **7 THE PLACING AND OFFER AGREEMENT**

The Placing and Offer Agreement contains provisions entitling Investec to terminate the Placing and Offer Agreement at any time prior to Initial Admission in certain circumstances. If this right is exercised, the Initial Issue and these arrangements will lapse and any monies received in respect of the Initial Issue will be returned to each applicant without interest (at the risk of the applicant) to the applicant from whom the money was received.

The Placing and Offer Agreement provides for Investec to be paid commissions by the Company in respect of the Ordinary Shares to be allotted pursuant to the Initial Issue and on the exercise of the Subscription Shares. Any Ordinary Shares subscribed for by Investec may be retained or dealt in by it for its own benefit. Under the Placing and Offer Agreement, Investec is also entitled at its discretion and out of its own resources at any time to rebate to any third party part or all of its fees relating to the Initial Placing.

Further details of the terms of the Placing and Offer Agreement are set out in paragraph 6.1 of Part 8 of this document.

## **8 GENERAL**

Pursuant to anti-money laundering laws and regulations with which the Company must comply, the Company (and its agents) may require evidence in connection with any application for Ordinary Shares, including further identification of the applicant(s), before any Ordinary Shares and Subscription Shares are issued to the relevant applicant pursuant to the Initial Issue.

If there are any material changes affecting any of the matters described in this document or where any significant new factors have arisen after the publication of this document, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the material change(s) or the significant new factor(s).

## **9 INITIAL ADMISSION, CLEARING AND SETTLEMENT**

Application will be made for the Ordinary Shares and Subscription Shares issued pursuant to the Initial Issue to be admitted to trading on the Specialist Fund Segment. It is expected that Initial Admission will become effective, and that dealings in the Ordinary Shares and Subscription Shares will commence, at 8.00 a.m. on 12 February 2021.

An investor applying for Ordinary Shares in the Initial Issue may receive Ordinary Shares and Subscription Shares in certificated or uncertificated form. The Ordinary Shares and Subscription Shares are in registered form. No temporary documents of title will be issued. Dealings in Ordinary Shares and Subscription Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned. It is expected that CREST accounts will be credited on 16 February 2021 in respect of Ordinary Shares and Subscription Shares issued in uncertificated form and definitive share certificates in respect of Ordinary Shares and Subscription Shares held in certificated form will be despatched by post after the week commencing 22 February 2021, at the Shareholder's own risk.

The ISIN of the Ordinary Shares is GG00BMC7TM77 and the SEDOL is BMC7TM7.

The ISIN of the Subscription Shares is GG00BMDGQT90 and the SEDOL is BMDGQT9.

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

## **10 CREST**

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares and Subscription Shares under the CREST system. The Company has applied for the Ordinary Shares and Subscription Shares to be admitted to CREST with effect from Initial Admission. Accordingly, settlement of transactions in the Ordinary Shares and Subscription Shares following Initial Admission may take place within the CREST system if any Shareholder so wishes.

## **11 OVERSEAS PERSONS**

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

The offer of Ordinary Shares and Subscription Shares under the Initial Issue to Overseas Persons may be affected by the laws of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to obtain Ordinary Shares and Subscription Shares under the Initial Issue. It is the responsibility of all Overseas Persons receiving this document and/or wishing to subscribe for Ordinary Shares and Subscription Shares under the Initial Issue to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

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

Persons (including, without limitation, nominees and trustees) receiving this document may not distribute or send it to any U.S. Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. In particular, the Company has not, and will not be, registered under the U.S. Investment Company Act and the offer, issue and sale of the Ordinary Shares and Subscription Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Ordinary Shares and

Subscription Shares are being offered and sold outside the United States to non-U.S. Persons in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder. Any sale of Ordinary Shares and Subscription Shares in the United States or to U.S. Persons may only be made to persons reasonably believed to be QIBs that are also QPs.

In addition, until 40 calendar days after the commencement of the Initial Issue, an offer or sale of the Ordinary Shares and Subscription Shares within the United States by any dealer (whether or not participating in the Initial Issue) may violate the registration requirements of the U.S. Securities Act.

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

Furthermore, Restricted Persons will not be able to exercise Subscription Rights, unless they are Permitted U.S. Persons. Restricted Persons that believe they are entitled to exercise Subscription Rights should contact the Company Secretary to discuss the matter.

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

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

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

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

Unless otherwise expressly agreed with the Company, each acquirer of Ordinary Shares and Subscription Shares pursuant to the Initial Issue and each subsequent transferee, by acquiring Ordinary Shares and Subscription Shares or a beneficial interest therein, will be deemed to have represented, warranted, undertaken, agreed and acknowledged to the Company and Investec as follows:

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

and on the future trading in the Ordinary Shares and/or Subscription Shares to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act;

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

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

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

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

## **12 PROFILE OF A TYPICAL INVESTOR**

The Specialist Fund Segment is intended for institutional, professional, professionally advised and knowledgeable investors who understand, or who have been advised of the potential risk of investing in companies admitted to the Specialist Fund Segment.

The Ordinary Shares and Subscription Shares are designed to be suitable for institutional investors and private investors. Accordingly, typical investors in the Ordinary Shares and Subscription Shares are expected to be institutional investors, private clients through their wealth managers, experienced investors, high net worth investors, professionally advised investors and knowledgeable unadvised retail investors who have taken appropriate steps to ensure that they understand the risks involved in investing in the Company and who have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from such an investment.

Furthermore, an investment in the Ordinary Shares and Subscription Shares should constitute part of a diversified investment portfolio. It should be remembered that the price of securities and the income from them can go down as well as up. The Ordinary Shares and Subscription Shares are being offered under the Offer for Subscription only to facilitate the participation of investors who understand, or have been advised of, the potential risk from investing in companies admitted to trading on the Specialist Fund Segment.

## PART 6

### THE PLACING PROGRAMME

#### 1 INTRODUCTION

The Company may issue up to a further 500 million Shares (being Ordinary Shares and/or C Shares) on a non-pre-emptive basis pursuant to the Placing Programme.

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

#### 2 THE PLACING PROGRAMME

The Placing Programme will open on 16 February 2021 and will close on 28 January 2022 (or any earlier date on which it is fully subscribed, or otherwise at the discretion of the Directors). The terms and conditions that apply to the purchase of the Shares under the Placing Programme are set out in Part 12 of this document.

The Company will have the flexibility to issue Shares on a non-pre-emptive basis where there appears to be reasonable demand for Shares in the market, for example if the Shares trade at a premium to the Net Asset Value per Ordinary Share (or Net Asset Value per C Share, as relevant).

Any issue of Shares under the Placing Programme is at the discretion of the Directors. Issues may take place at any time prior to the final closing date of 28 February 2022 (or any earlier date on which it is fully subscribed, or otherwise at the discretion of the Directors). An announcement of each Subsequent Placing under the Placing Programme will be released via a Regulatory Information Service, including the Placing Programme Price for the Subsequent Placing.

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

Where new Shares are issued pursuant to the Placing Programme, the total assets of the Company will increase by that number of Shares multiplied by the relevant Placing Programme Price less the expenses of such issuance.

The Net Proceeds of any Subsequent Placing under the Placing Programme are dependent, *inter alia*, on the level of subscriptions received, the price at which such Shares are issued and the costs of the Subsequent Placing.

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

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

#### **Conditions**

Each issue of Shares pursuant to a Subsequent Placing under the Placing Programme will be conditional, *inter alia*, on:

- Admission of the relevant Shares occurring by no later than 8.00 a.m. on such date as the Company, Investec and the Investment Manager may agree from time to time in relation to that Admission, not being later than 28 January 2022;

- a valid supplementary prospectus being published by the Company if such is required by the Prospectus Regulation Rules; and
- the Placing and Offer Agreement being wholly unconditional as regards the relevant Subsequent Placing (save as to Admission) and not having been terminated in accordance with its terms prior to the relevant Admission.

### **3 THE PLACING PROGRAMME PRICE**

The minimum price at which Ordinary Shares will be issued pursuant to the Placing Programme, will be equal to the estimated Net Asset Value per Ordinary Share at the time of issue together with a premium to at least cover the costs and expenses of the relevant Subsequent Placing of Ordinary Shares (including, without limitation, any placing commissions), which are not expected to exceed 2 per cent. of the gross proceeds of such Subsequent Placing. C Shares (if any) issued pursuant to the Placing Programme will be issued at 100 pence per C Share and the costs and expenses of any issue of C Shares will be allocated solely to the C Share pool of assets.

In accordance with Listing Rule 15.4.11 (with which the Company has voluntarily undertaken to comply), the Company may not issue Ordinary Shares for cash on a non-pre-emptive basis at a price below the prevailing estimated Net Asset Value per Ordinary Share at the time of announcement of the issue without Shareholder approval. This restriction shall not apply to any Ordinary Shares issued pursuant to the exercise of Subscription Shares.

The Placing Programme Price will be announced via a Regulatory Information Service as soon as practicable in conjunction with each Subsequent Placing.

### **4 BENEFITS OF THE PLACING PROGRAMME**

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

- give the Company the ability to issue Ordinary Shares to better manage the premium at which the Ordinary Shares may trade relative to the Net Asset Value per Ordinary Share;
- enhance the Net Asset Value per Ordinary Share of existing Ordinary Shares through new issuance of Ordinary Shares at a premium to the prevailing estimated Net Asset Value per Ordinary Share;
- grow the Company, thereby spreading operating costs over a larger capital base which should reduce the Ongoing Charges Ratio;
- the Company will be able to raise additional capital promptly, allowing it to take advantage of future investment opportunities as and when they arise; further diversifying the Company's portfolio of investments; and
- improve liquidity in the market for the Ordinary Shares.

### **5 COSTS OF THE PLACING PROGRAMME**

The costs and expenses of the Company relating to the Placing Programme are those that arise from, or are incidental to, the issue of Shares pursuant to Subsequent Placings. These include the fees payable in relation to each subsequent Admission, including admission fees, as well as fees and commissions due under the Placing and Offer Agreement and any other applicable expenses in relation to the Placing Programme.

The costs and expenses of issuing Ordinary Shares pursuant to any Subsequent Placing will be covered by issuing such Ordinary Shares at the prevailing estimated Net Asset Value per Ordinary Share at the time of announcement of the issue, together with a premium to at least cover the costs and expenses of the relevant Subsequent Placing of Ordinary Shares (including, without limitation, any placing commissions). The costs and expenses of any issue of C Shares pursuant to the Placing Programme will be allocated solely to the C Share pool of assets.

The costs and expenses of issuing Shares pursuant to a Subsequent Placing are not expected to exceed 2 per cent. of the gross proceeds of such Subsequent Placing.

## **6 SCALING BACK**

In the event of oversubscription of a Subsequent Placing, applications under the relevant Subsequent Placing will be scaled back at the absolute discretion of the Company (after consulting Investec).

## **7 THE PLACING AND OFFER AGREEMENT**

Under the Placing and Offer Agreement, Investec has undertaken, as agent for the Company, to use its reasonable endeavours to procure subscribers under the Placing Programme for Shares at the applicable Placing Programme Price. Details of the Placing and Offer Agreement are set out in paragraph 6.1 of Part 8 of this document.

The Placing and Offer Agreement provides for Investec to be paid commissions by the Company in respect of the Shares to be issued pursuant to the Placing Programme. Any Shares subscribed for by Investec may be retained or dealt in by it for its own benefit. Under the Placing and Offer Agreement, Investec is also entitled at its discretion and out of its own resources at any time to rebate to any third party part or all of its fees relating to any Subsequent Placing.

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

## **8 VOTING DILUTION**

If 500 million Shares were to be issued pursuant to Subsequent Placings, and assuming the Initial Issue had been subscribed as to 300 million Ordinary Shares and a Shareholder did not participate in such Subsequent Placings, there would be a dilution of approximately 62.5 per cent. in such Shareholder's voting control of the Company immediately after the Initial Issue (and prior to the conversion of any C Shares). The voting rights may be diluted further on conversion of any C Shares depending on the applicable conversion ratio. However, it is not anticipated that there would be any dilution in the Net Asset Value per Ordinary Share as a result of any Subsequent Placing under the Placing Programme.

## **9 USE OF PROCEEDS**

The Directors intend to use the Net Proceeds of any Subsequent Placing under the Placing Programme to acquire investments in accordance with the Company's investment objective and investment policy and for working capital purposes.

## **10 ADMISSION AND SETTLEMENT**

The Placing Programme may have several closing dates to provide the Company with the ability to issue Shares over the duration of the Placing Programme. Shares may be issued under the Placing Programme from 16 February 2021 until 28 January 2022 (or any earlier date on which it is fully subscribed, or otherwise at the discretion of the Directors).

Application will be made to the London Stock Exchange for all of the Shares issued pursuant to the Placing Programme to be admitted to trading on the Specialist Fund Segment. It is expected that any Admissions pursuant to Subsequent Placings will become effective and dealings will commence between 16 February 2021 and 28 January 2022. All Shares issued pursuant to the Placing Programme will be allotted conditionally on such Admission occurring.

Shares will be issued in registered form and may be held in either certificated or uncertificated form. In the case of Shares to be issued in uncertificated form pursuant to a Subsequent Placing, these will be transferred to successful applicants through the CREST system. Dealing in advance of the crediting of the relevant stock account shall be at the risk of the person concerned. Whilst it is expected that all Shares allotted pursuant to the

Placing Programme will be issued in uncertificated form, if any Shares are issued in certificated form it is expected that definitive share certificates will be despatched approximately one week following Admission of the Shares, at the Shareholder's own risk.

The ISIN number of the Ordinary Shares is GG00BMC7TM77 and the SEDOL code is BMC7TM7.

The ISIN number of the C Shares is GG00BMC7TN84 and the SEDOL code is BMC7TN8.

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

## 11 CREST

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

## 12 OVERSEAS PERSONS

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

The offer of Shares under the Placing Programme to Overseas Persons may be affected by the laws of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to obtain Shares under the Placing Programme. It is the responsibility of all Overseas Persons receiving this document and/or wishing to subscribe for Shares under the Placing Programme to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

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

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

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

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

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

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

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

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

- unless otherwise agreed with the Company, in which case such acquirer is a QIB that is also a QP, it is located outside the United States, it is not a U.S. Person, it is acquiring the Ordinary Shares in an “offshore transaction” meeting the requirements of Regulation S and it is not acquiring the Shares for the account or benefit of a U.S. Person;
- the Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, transferred or delivered, directly or indirectly, into or within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner that would not require the Company to register under the U.S. Investment Company Act;
- the Company has not been and will not be registered under the U.S. Investment Company Act, and, investors will not be entitled to the benefits of the U.S. Investment Company Act and the Company has elected to impose restrictions on the Initial Issue and on the future trading in the Shares to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act;
- if in the future it decides to offer, sell, transfer, assign, pledge or otherwise dispose of the Ordinary Shares or any beneficial interest therein, it will do so only (i) in an “offshore transaction” complying with the provisions of Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person, by prearrangement or otherwise, or (ii) to the Company or a subsidiary thereof. It acknowledges and agrees that any offer, sale, transfer, assignment, pledge or other disposal made other than in compliance with the foregoing restrictions will be subject to the compulsory transfer provisions contained in the Articles;
- it is acquiring the Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Shares in any manner that would violate the U.S. Securities Act, the U.S. Investment Company Act or any other applicable securities laws; and
- it is aware and acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person’s status under U.S. federal securities laws and to require any such person that has not

satisfied the Company that the holding by such person will not violate or require registration under U.S. federal securities laws to transfer such Ordinary Shares or interests in accordance with the Articles.

***United States transfer restrictions***

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

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

**13 PROFILE OF A TYPICAL INVESTOR**

The Specialist Fund Segment is intended for institutional, professional, professionally advised and knowledgeable investors who understand, or who have been advised of, the potential risk of investing in companies admitted to the Specialist Fund Segment.

The Shares are designed to be suitable for institutional investors and private investors. Accordingly, typical investors in the Shares are expected to be institutional investors, private clients through their wealth managers, experienced investors, high net worth investors, professionally advised investors and knowledgeable unadvised retail investors who have taken appropriate steps to ensure that they understand the risks involved in investing in the Company and who have sufficient resources to be able to bear any losses (which may equal the whole amount invested) that may result from such an investment.

Furthermore, an investment in the Shares should constitute part of a diversified investment portfolio. It should be remembered that the price of securities and the income from them can go down as well as up.

## PART 7

### TAXATION

Prospective investors should consult their professional advisers concerning the possible tax consequences of their subscribing for, purchasing, holding or selling Shares. The following summary of the principal United Kingdom and Guernsey tax consequences applicable to the Company and its Shareholders is based upon interpretations of existing laws in effect on the date of this document and no assurance can be given that courts or fiscal authorities responsible for the administration of such laws will agree with the interpretations or that changes in such laws will not occur. The tax and other matters described in this document are not intended as legal or tax advice. Each prospective investor must consult its own advisers regarding the tax consequences of an investment in Shares. None of the Company, the Directors, the Investment Manager, Investec or any of their respective affiliates or agents accept any responsibility for providing tax advice to any prospective investor.

Investors should note that whilst the Company was incorporated in Guernsey it is the intention that the Company shall be resident in the United Kingdom for taxation purposes.

#### UNITED KINGDOM

##### *Introduction*

The information below, which relates only to United Kingdom taxation, summarises the advice received by the Board in so far as applicable to the Company and to persons who are resident in the United Kingdom for taxation purposes and who hold Shares as an investment. It is based on current United Kingdom tax law and published practice, which law or practice is, in principle, subject to any subsequent changes therein (potentially with retrospective effect). Certain Shareholders, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their Shares in connection with their employment may be taxed differently and are not considered. The tax consequences for each Shareholder investing in the Company may depend upon the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject.

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

##### *The Company*

It is the intention of the Directors to conduct the affairs of the Company so that it satisfies and continues to satisfy the conditions necessary for it to be approved by HMRC as an investment trust under sections 1158 to 1159 of the CTA 2010. However, none of the Directors nor the Investment Manager can guarantee that this approval will be maintained. One of the conditions for a company to qualify as an investment trust is that it is not a close company. The Directors intend that the Company should not be a close company immediately following Initial Admission. In respect of each accounting period for which the Company continues to be approved by HMRC as an investment trust the Company will be exempt from UK taxation on its capital gains. The Company will, however, (subject to what follows) be liable to UK corporation tax on its income in the normal way.

An investment trust approved under sections 1158 to 1159 of the CTA 2010, or one that intends to seek such approval, is able to elect to take advantage of modified UK tax treatment in respect of its "qualifying interest income" for an accounting period (referred to here as the "streaming" regime). Under regulations made pursuant to the Finance Act 2009, the Company may, if it so chooses, designate as an "interest distribution" all or part of the amount it distributes to Shareholders as dividends in respect of the accounting period, to the extent that it has "qualifying interest income" for the accounting period. Were the Company to designate any dividend it pays in this manner, it would be able to deduct such interest distributions from its taxable interest income in calculating its taxable profit for the relevant accounting period.

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

## **Shareholders**

### ***Taxation of capital gains***

Individual Shareholders who are solely resident in the UK for tax purposes will generally be subject to capital gains tax in respect of any gain arising on a disposal of their Shares. Each such individual has an annual exemption, such that capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The annual exemption is £12,300 for the tax year 2020–2021. Capital gains tax chargeable will be at the current rate of 10 per cent. (for basic rate taxpayers) and 20 per cent. (for higher and additional rate taxpayers) for the tax year 2020–2021.

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

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

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

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

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

### ***Individual Shareholders***

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

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

A £2,000 annual tax free dividend allowance is available to UK individuals for the tax year 2020-21. Dividends received more than this threshold will be taxed, for the tax year 2020/21 at 7.5 per cent. (basic rate taxpayers), 32.5 per cent. (higher rate taxpayers) and 38.1 per cent. (additional rate taxpayers).

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

#### **(b) Interest distributions**

Should the Directors elect to apply the “streaming” regime to any dividends paid by the Company, were the Company to designate any dividends paid as an “interest distribution”, a UK resident Shareholder in receipt of such a dividend would be treated as though they had received a payment of interest. Such a Shareholder would be subject to UK income tax at the current rates of 20 per cent., 40 per cent. or 45 per cent., depending on the level of the Shareholder’s income. No withholding tax will be applied to such distributions.

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

### ***Other Shareholders***

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

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

### ***Issue and conversion of Subscription Shares***

For the purposes of UK taxation on chargeable gains, the receipt of the Subscription Shares should generally be treated as a re-organisation of the share capital of the Company. Accordingly, the Subscription Shares should generally for those purposes be treated as the same asset as the Shareholder's holding of Ordinary Shares and as having been acquired at the same time as the Shareholder's holding of Ordinary Shares was acquired. To the extent necessary to calculate any gain or loss on a subsequent disposal of the Ordinary Shares or Subscription Shares, the Shareholder's original base cost in its/his/her Ordinary Shares will be apportioned between the Shareholder's Ordinary Shares and the Subscription Shares by reference to their respective market values on the first date on which quoted market values for the Subscription Shares are available.

A conversion of Subscription Shares into new Ordinary Shares by means of an exercise of the Subscription Rights should, for the purposes of UK taxation of chargeable gains, generally be treated as a reorganisation of the share capital of the Company. To this extent, the new Ordinary Shares will generally be treated as the same asset as the relevant Subscription Shares and as having been acquired at the same time as such Subscription Shares are treated as having been acquired. To the extent that this reorganisation treatment applies, the conversion should accordingly not be treated as itself giving rise to a disposal of the Shareholder's Subscription Shares for the purposes of UK taxation of chargeable gains. The base cost attributable to the Subscription Shares that are converted together with the Subscription Price paid should generally be treated as base cost attributable to the Ordinary Shares issued on the conversion.

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

No UK stamp duty or stamp duty reserve tax ("SDRT") will normally arise on the issue or transfer of Shares.

### ***ISA, SSAS and SIPP***

Shares (including the Subscription Shares) acquired by a UK resident individual Shareholder in the Offer for Subscription or on the secondary market (but not the Initial Placing or any Subsequent Placing), together with the Ordinary Shares arising on the exercise of the Subscription Rights, should be eligible to be held in a stocks and shares ISA, subject to applicable annual subscription limits (£20,000 in the tax year 2020-2021). Investments held in ISAs will be free of UK tax on both capital gains and income. The opportunity to invest in shares through an ISA is restricted to certain UK resident individuals aged 18 or over. Junior ISAs are available to children under the age of 18 who are resident in the UK subject to the annual allowance of £9,000 for the 2020-2021 tax year. Sums received by a Shareholder on a disposal of Shares would not count towards the Shareholder's annual limit; but a disposal of Shares held in an ISA will not serve to make available again any part of the annual subscription limit that has already been used by the Shareholder in that tax year. The Subscription Price paid upon any exercise of the right to convert Subscription Shares into Ordinary Shares would generally contribute towards the annual subscription limit in the year in which the Subscription Right was exercised, unless the Subscription Price was paid out of cash already within the Shareholder's ISA.

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

The Directors have been advised that the Shares should be eligible for inclusion in a SIPP or a SSAS, subject to the discretion of the trustees of the SIPP or the SSAS.

### ***Information reporting***

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

### ***Prevention of the Criminal Facilitation of Tax Evasion***

Two new United Kingdom corporate criminal offences for failure to prevent the facilitation of tax evasion (“**FTP offences**”) have been created by the Criminal Finances Act 2017. The offences came into force on 30 September 2017. The FTP offences impose criminal liability on a company or a partnership (a “relevant body”) if it fails to prevent the criminal facilitation of tax evasion by a “person associated” with the relevant body. There is a defence to the charge if the relevant body can show that it had in place “reasonable prevention procedures” at the time the facilitation took place. To comply with the Criminal Finances Act 2017, the Company and/or the Investment Manager may require additional information from Shareholders or prospective investors in the Company regarding their tax affairs.

## **GUERNSEY**

### **The Company**

It is the intention of the Directors to conduct the affairs of the Company so that it is resident in the United Kingdom for taxation purposes and not resident in Guernsey. The Company intends to apply for non-resident status with the Guernsey Revenue Service. To the extent that an annual confirmation of non-residence may be required in Guernsey, the Directors intend to submit such application.

Upon the approval of non-resident status by the Guernsey Revenue Service, the Company will be treated as non-resident for Guernsey tax purposes and will only be subject to tax on Guernsey sourced income (excluding bank interest) and income from activities carried on from a permanent establishment in Guernsey.

### *Stamp duty*

Guernsey does not currently impose stamp duty or capital duty on the issue or transfer of Shares other than Document Duty which can apply in some instances where a company holds Guernsey situated real estate which is not expected to apply to the Company.

### **Shareholders**

Non-Guernsey resident Shareholders are not subject to any income tax in Guernsey in respect of, or, in connection with the acquisition, holding or disposal of any Shares owned by them.

Distributions made by the Company to non-resident Shareholders will not be subject to withholding of any Guernsey income tax.

Distributions made by the Company to Guernsey resident Shareholders will be taxed on the Shareholder at the standard income tax rate of 20 per cent. for individuals (subject to the individual's personal circumstances, which may include payment of the tax cap or standard charge) and 0 per cent. for corporations irrespective of whether the corporation is itself taxable in Guernsey on sources of income at a rate other than 0 per cent.

Provided the Company obtains and maintains Guernsey non-resident status, there would be no requirement for the Company to withhold tax from the payment of a distribution to a Guernsey resident Shareholder.

## PART 8

### GENERAL INFORMATION

#### 1 THE COMPANY

- 1.1 The Company was incorporated as a non-cellular company limited by shares in Guernsey under the Companies Law on 4 January 2021 with registered number 68630. The Company's LEI number is 213800T8RBBWZQ7FTF84.
- 1.2 The registered office and principal place of business of the Company is 2nd Floor Trafalgar Court, Les Banques, Guernsey, GY1 4LY with telephone number +44 1481 742742.
- 1.3 The principal legislation under which the Company operates is the Companies Law and ordinances and regulations made thereunder. The Company is registered with the GFSC as a registered closed-ended collective investment scheme pursuant to the POI Law and the RCIS Rules. The Company will not be regulated as a collective investment scheme by the FCA. However, from Initial Admission, the Company and the Shareholders will be subject to the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation, MAR and the rules of the London Stock Exchange. The Company also intends to carry on business as an investment trust within the meaning of section 1158 of the CTA 2010.
- 1.4 Save for the entry into of the material contracts summarised in paragraph 6 of this Part 8, the Company has not commenced operations since incorporation and, as at the date of this document, no financial statements have been made up and no dividends have been declared by the Company.
- 1.5 The Company's accounting period will end on 31 March of each year. The first accounting period will end on 31 March 2022. The annual report and accounts will be prepared in Sterling according to accounting standards laid out under IFRS.
- 1.6 Notwithstanding incorporation in Guernsey, the Company will, for taxation and other purposes, be resident in the United Kingdom. The Company does not own any premises and, as at the date of this document, has no subsidiaries.
- 1.7 The Company intends at all times to conduct its affairs so as to enable it to qualify as an investment trust for the purposes of sections 1158 and 1159 (and regulations made thereunder) of the CTA 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011. In summary, the conditions and requirements that must be met for approval by HMRC as an investment trust, and which must continue to be met for each accounting period in respect of which the Company is approved as an investment trust, are that:
- all, or substantially all, of the business of the Company is investing its funds in shares, land or other assets with the aim of spreading investment risk and giving members the benefit of the results of the management of its funds;
  - the Company is not a close company at any time during the accounting period;
  - the Company's ordinary share capital is admitted to trading on a regulated market throughout the accounting period;
  - the Company must not retain in respect of the accounting period an amount greater than the higher of: (a) 15 per cent. of its income for the period; and (b) the amount of any income which the Company is required to retain in respect of the period by virtue of a restriction imposed by law. However, where the Company has relevant accumulated losses brought forward from previous accounting periods of an amount equal to or greater than the higher of the amounts mentioned in (a) and (b) above, it may retain an amount equal to the amount of such losses; and
  - the Company notifies HMRC if it revises its published investment policy.

## 2 SHARE CAPITAL

- 2.1 The Company is authorised pursuant to its Articles to issue an unlimited number of Shares. One redeemable share of no par value was issued on incorporation at an issue price of £1.00 and is held by the Investment Manager, which share will be redeemed by the Company for nil consideration upon Initial Admission. As at the date of this document, the issued share capital of the Company comprises one redeemable share of no par value.
- 2.2 On the assumption that the Initial Gross Proceeds are £300 million, and on the basis of the Subscription Share Issue, the issued share capital of the Company will, at Initial Admission, consist of 300 million Ordinary Shares and 37.5 million Subscription Shares. All Ordinary Shares and Subscription Shares will be fully paid.
- 2.3 By special resolutions passed on 26 January 2021:
- 2.3.1 the Articles were approved and adopted in substitution for and to the exclusion of the then existing articles of incorporation;
- 2.3.2 the Directors were empowered to issue, to grant rights to subscribe for, to convert and to make offers or agreements to issue equity securities for cash as if the pre-emption rights contained in the Articles in respect of such equity securities did not apply to any such issue, provided that this power shall be limited to:
- 2.3.2.1 the issue of up to 500 million Ordinary Shares pursuant to the Initial Issue;
- 2.3.2.2 otherwise than pursuant to the authority described in sub-paragraphs 2.3.2.1 above, the issue of up to 2 billion Ordinary Shares and/or C Shares; and
- 2.3.2.3 the sale of such number of treasury shares as is equal to the number of Ordinary Shares held in treasury at any time following the Initial Issue,
- and such authority will, unless previously revoked or varied expire on 26 January 2026 save that the Company may, before such expiry, make an offer or agreement which would or might require Shares to be issued after such expiry and the Directors may issue equity securities in pursuance of any such offer or agreement as if this power had not expired;
- 2.3.3 the Directors were empowered to issue Ordinary Shares at a price below the estimated net asset value per Ordinary Share if required to do so pursuant to the exercise of the rights attaching to the Subscription Shares;
- 2.3.4 the Company was authorised in accordance with the Companies Law to make market purchases (as defined in the Companies Law) of its own Ordinary Shares either for cancellation or to hold as treasury shares for future resale or transfer, provided that:
- 2.3.4.1 the maximum number of Ordinary Shares authorised to be purchased is 14.99 per cent. of the Ordinary Shares in issue immediately following completion of the Initial Issue;
- 2.3.4.2 the minimum price which may be paid for an Ordinary Share is £0.01;
- 2.3.4.3 the maximum price (exclusive of expenses) which may be paid for an Ordinary Share must not be more than the higher of:
- 2.3.4.3.1 5 per cent. above the average of the mid-market quotations for the five Business Days before the purchase is made; and
- 2.3.4.3.2 the higher of: (a) the price of the last independent trade, and (b) the highest current independent bid for Ordinary Shares on the London Stock Exchange at the time the purchase is carried out,
- and such authority will expire on the earlier of the conclusion of the first annual general meeting of the Company and 4 July 2022, save that the Company may contract to purchase Ordinary Shares under the authority thereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority and may purchase Ordinary Shares in pursuance of such contract; and

- 2.3.5 the Company was authorised in accordance with the Companies Law to make market purchases (as defined in the Companies Law) of its own Subscription Shares for cancellation, provided that:
- 2.3.5.1 the maximum number of Subscription Shares authorised to be purchased is 14.99 per cent. of the Subscription Shares in issue immediately following completion of the Initial Issue;
  - 2.3.5.2 the minimum price which may be paid for a Subscription Share is £0.01;
  - 2.3.5.3 the maximum price (exclusive of expenses) which may be paid for a Subscription Share must not be more than the higher of:
    - 2.3.5.3.1 5 per cent. above the average of the mid-market quotations for the five Business Days before the purchase is made; and
    - 2.3.5.3.2 the higher of: (a) the price of the last independent trade, and (b) the highest current independent bid for Subscription Shares on the London Stock Exchange at the time the purchase is carried out,
- and such authority will expire on the earlier of the conclusion of the first annual general meeting of the Company and 4 July 2022, save that the Company may contract to purchase Subscription Shares under the authority thereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority and may purchase Subscription Shares in pursuance of such contract.
- 2.4 The Company is permitted to fund the payments for purchases of Ordinary Shares and/or Subscription Shares in any manner permitted by the Companies Law and the Directors must have reasonable grounds for believing that the Company will satisfy the solvency test prescribed by the Companies Law immediately after making such purchases.
- 2.5 In accordance with the authorities granted to the Directors as set out in paragraph 2.3 above and by the Articles, it is expected that the Shares to be issued pursuant to the Initial Issue and the Placing Programme will be issued (conditionally upon Initial Admission or the relevant Admission, as the case may be) pursuant to a resolution of the Board to be passed shortly before Initial Admission or each relevant Admission, as the case may be, in accordance with the Companies Law.
- 2.6 Save as disclosed in this paragraph 2, no share or loan capital of the Company has since the date of incorporation of the Company been issued or been agreed to be issued, fully or partly paid, either for cash or for a consideration other than cash, and, other than pursuant to the Initial Issue or the Placing Programme, no such issue is now proposed.
- 2.7 Subject to the Subscription Rights attaching to the Subscription Shares, as at the date of this document, the Company has not granted any options over its share or loan capital which remain outstanding and has not agreed, conditionally or unconditionally to grant any such options and no convertible securities, exchangeable securities or securities with warrants have been issued by the Company.
- 2.8 All of the Shares will be in registered form and will be eligible for settlement in CREST. Temporary documents of title will not be issued.

### 3 INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

3.1 The Directors intend to subscribe for Ordinary Shares (and will receive Subscription Shares) pursuant to the Initial Issue in the amounts set out below:

Director	Number of Ordinary Shares	% of issued Ordinary Share capital*	Number of Subscription Shares	% of issued Subscription Share capital*
<b>Shonaid Jemmett-Page</b>	20,000	0.01	2,500	0.01
<b>Sian Hill</b>	20,000	0.01	2,500	0.01
<b>Marten Pieters</b>	25,000	0.01	3,125	0.01
<b>Simon Pitcher</b>	25,000	0.01	3,125	0.01

\* Assuming that the Initial Issue is subscribed as to 300 million Ordinary Shares and 37.5 million Subscription Shares are issued.

Save as disclosed in this paragraph, immediately following Initial Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

3.2 No Director has a service contract with the Company, nor are any such contracts proposed, each Director having been appointed pursuant to a letter of appointment entered into with the Company. Each Director will retire from office at each annual general meeting except any Director appointed by the Board after the notice of that annual general meeting has been given and before that annual general meeting has been held. The Directors' appointments can be terminated by either party in accordance with the Articles and on three months' written notice, in both cases without compensation. 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 six consecutive months or more; or (iii) written request of all of the other Directors.

3.3 Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. Save for the Chairman, the initial fees will be £40,000 for each Director per annum. The Chairman's initial fee will be £60,000 per annum. The Chairman of the Audit Committee will receive an additional £5,000 per annum. The Directors are also entitled to reasonable out-of-pocket expenses incurred in the proper performance of their duties.

3.4 No amount has been set aside or accrued by the Company to provide pensions, retirement or other similar benefits.

3.5 Save as set out in this paragraph, none of the Directors has, or has had, an interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company or that has been effected by the Company since its incorporation.

3.6 The Company has not made any loans to the Directors which are outstanding, nor has it ever provided any guarantees for the benefit of any Director or the Directors collectively.

3.7 Over the five years preceding the date of this document, the Directors hold or have held the following directorships (apart from their directorships of the Company) or memberships of administrative, management or supervisory bodies and/or partnerships:

Name	Current	Previous
<b>Shonaid Jemmett-Page</b>	Greencoat UK Wind Plc Caledonia Investments Plc ClearBank Limited Qinetiq Group Plc Spanyards Farm Partnership	APR Energy Plc GKN Plc MSAmlin Plc MSAmlin Insurance SE Origo Partners Plc Old Company 20 Limited

<b>Name</b>	<b>Current</b>	<b>Previous</b>
<b>Sian Hill</b>	Ipswich Building Society Yealand Administration Limited Place2Be Place2Be Trading Limited	KPMG LLP
<b>Marten Pieters</b>	Open Tower Company B.V. Tawal Towers Saudi Arabia	Vodacom Group Ltd Vodafone India Ltd INDUS Towers Ltd Oi S.A (in Judicial Reorganisation)
<b>Simon Pitcher</b>	Infinity SDC Limited	Helios Towers Africa Ltd HTA (UK) Partner Ltd Sunny Topco Limited Tamar Energy Limited

- 3.8 Save as disclosed in paragraph 3.9 below, the Directors in the five years before the date of this document:
- 3.8.1 do not have any convictions in relation to fraudulent offences;
- 3.8.2 have not been associated with any bankruptcies, receiverships, liquidations or administration of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
- 3.8.3 do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administration, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.
- 3.9 Marten Pieters was appointed as a director of Oi S.A. (in Judicial Reorganisation) on 1 September 2015. On 20 June 2016, Oi S.A. (in Judicial Reorganisation) and six of its wholly-owned direct or indirect subsidiaries filed a request for judicial reorganisation (*recuperação judicial*) with the 7th Corporate Court of the Judicial District of the State Capital of Rio de Janeiro (the “RJ Court”). On 29 June 2016, the RJ Court granted the processing of the Judicial Reorganisation. Marten Pieters resigned from the board of directors of Oi S.A. (in Judicial Reorganisation) on 4 July 2016. Judicial reorganisation is a Brazilian court-supervised procedure analogous to a Chapter 11 case under the U.S. Bankruptcy Code. It is a tool designed to promote effective restructuring and reorganisation of viable companies in financial distress.
- 3.10 As at the date of this document insofar as known to the Company, there are no parties known to have a notifiable interest under English or Guernsey law in the Company’s capital or voting rights.
- 3.11 All Shareholders have the same voting rights in respect of shares of the same class in the share capital of the Company.
- 3.12 Pending the allotment of the Ordinary Shares pursuant to the Initial Issue, the Company is controlled by the Investment Manager, as described in paragraph 2.1 of this Part 8. The Company and the Directors are not aware of any other person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.
- 3.13 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.
- 3.14 Save for the entry into of the Directors’ appointment letters and the Investment Management Agreement, the Group has not entered into any related party transaction at any time during the period from incorporation to 28 January 2021 (the latest practicable date prior to the publication of this document).

- 3.15 As at the date of this document, none of the Directors has any conflict of interest or potential conflict of interest between any duties to the Company and their private interests and/or other duties.
- 3.16 The Company intends to maintain directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

#### 4 THE ARTICLES

Under the memorandum of incorporation, the objects of the Company are unrestricted. The memorandum of incorporation is available for inspection at the address specified in paragraph 12 of this Part 8.

The following is a summary of certain provisions of the Articles.

##### 4.1 Definitions

The following definitions apply for the purposes of this Part 8 in addition to, or (where applicable) in substitution for, the definitions applicable elsewhere in this document:

**"Authorised Operator"** means Euroclear UK and Ireland Limited or such other person as may for the time being be authorised under the CREST Regulations to operate an Uncertificated System;

**"CFTC"** means the United States Commodity Futures Trading Commission;

**"Commodity Exchange Act"** means the United States Commodity Exchange Act, 1936, as amended or any substantially equivalent successor legislation;

**"Disclosure Notice"** has the meaning set out in sub-paragraph 4.4.1 below;

**"equity securities"** means shares or a right to subscribe for or convert securities into shares;

**"ERISA"** means the United States Employee Retirement Income Security Act of 1974, as amended, and applicable regulations thereunder;

**"International Tax Compliance Legislation"** means any existing or future legislation enacted by any jurisdiction that provides for or is intended to secure the exchange of information (including legislation implementing FATCA and legislation implementing CRS), any official interpretations or guidance thereof or relating thereto, or any law or regulations implementing an intergovernmental approach thereto, or any agreements made pursuant to the implementation of the foregoing, in each case as enacted, made, amended or replaced from time to time;

**"Non-Qualified Holder"** means any person whose holding or beneficial ownership of any shares in the Company (whether on its own or taken with other shares), in the opinion of the Directors: (i) would or might cause the assets of the Company to be treated as "plan assets" of any Benefit Plan Investor under section 3(42) of ERISA or the U.S. Tax Code; or (ii) would or might result in the Company and/or its shares and/or any of its Investment Manager or any appointed alternative investment fund manager or any appointed investment adviser being required to register or qualify under the U.S. Investment Company Act, and/or the U.S. Securities Act, and/or the U.S. Investment Advisers Act of 1940, as amended, and/or the U.S. Exchange Act, as amended and/or any laws of any state of the U.S. or other jurisdiction that regulate the offering and sale of securities; or (iii) may cause the Company not to be considered a "foreign private issuer" under the U.S. Exchange Act; or (iv) may cause the Company to be a "controlled foreign corporation" for the purpose of the U.S. Tax Code; or (v) may result in the Company losing or forfeiting or not being able to claim the benefit of any exemption under the Commodity Exchange Act or the rules of the CFTC or analogous legislation or regulation or becoming subject to any unduly onerous filing, reporting or registration requirements; or (vi) creates a significant legal or regulatory issue for the Company under the U.S. Bank Holding Company Act 1956, as amended or regulations or interpretations thereunder; or (vii) would cause the Company adverse consequences under the foreign account tax compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010, including the Company becoming subject to any withholding tax or reporting obligation (including by reason of the failure of the

Shareholder concerned to provide promptly to the Company such information and documentation as the Company may have requested to enable the Company to avoid or minimise such withholding tax or to comply with such reporting obligations); or (viii) may cause the Company (including for such purposes, its subsidiaries) to lose the benefit of, or suffer pecuniary disadvantage as a result of not being able to take advantage of, any applicable withholding tax treaty or similar arrangement;

“**Rules**” means the rules, including any manuals issued from time to time by an Authorised Operator governing the admission of securities to and the operation of the Uncertificated System managed by such Authorised Operator;

“**Uncertificated System**” means any computer based system and its related facilities and procedures that are provided by an Authorised Operator and by means of which title to units of a security (including shares) can be evidenced and transferred in accordance with the CREST Regulations without a written certificate or instrument;

“**U.S. Exchange Act**” means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations of the United States Securities and Exchange Commission promulgated pursuant to it.

## 4.2 **Rights attaching to Ordinary Shares**

### 4.2.1 *Dividends*

Holders of Ordinary Shares are entitled to receive, and participate in any dividends or distributions of the Company in relation to assets attributable to the Ordinary Shares that are available for dividend or distribution.

### 4.2.2 *Winding-up*

On a winding-up of the Company, the surplus assets of the Company available for distribution to the holders of Ordinary Shares (after payment of all other debts and liabilities of the Company attributable to the Ordinary Shares) shall be divided amongst the holders of Ordinary Shares *pro rata* according to their respective holdings of Ordinary Shares.

### 4.2.3 *Voting*

Subject to any special rights, restrictions or prohibitions regarding voting for the time being attached to any shares, holders of Ordinary Shares shall have the right to receive notice of and to attend, speak and vote at general meetings of the Company and each holder being present in person or by proxy shall upon a show of hands have one vote and upon a poll shall have one vote in respect of each Ordinary Share that they hold.

## 4.3 **Share Capital**

4.3.1 Subject to the Companies Law and the other provisions of the Articles, the Directors may exercise the power of the Company for an unlimited duration to, amongst other things, (i) issue an unlimited number of shares or grant rights to subscribe for, or convert any security into shares, (ii) issue shares of different types or shares of different classes including but not limited to shares which: are redeemable shares, confer preferential rights to distribution of capital or income, do not entitle the holder to voting rights, entitle the holder to restricted voting rights, (iii) issue shares which have a par value or no par value, or (iv) any number of shares as they see fit.

4.3.2 The Company may issue fractions of shares and, unless otherwise provided for by the Articles, any such fractional shares shall rank *pari passu* in all respects with the other shares of the same class issued by the Company.

4.3.3 The Company may acquire its own shares and any shares so acquired by the Company may be cancelled or may be held as treasury shares in accordance with the Companies Law. The Directors have general and unconditional authority to sell, transfer or cancel any treasury shares held by the Company.

4.3.4 Subject to the provisions of the Companies Law, the Company and any of its subsidiary companies may give financial assistance, as defined in the Companies Law, directly or indirectly for the purposes of or in connection with the acquisition of its shares.

- 4.3.5 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- 4.3.6 The rights attached to any class or group of shares may be varied:
- 4.3.6.1 with the consent in writing of the holders of at least 75 per cent. in value of the issued shares of that class (excluding treasury shares); or
- 4.3.6.2 with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- 4.3.7 All the provisions of the Articles relating to general meetings of the Company or to the proceedings thereat shall, *mutatis mutandis*, apply to every such separate meeting except that:
- 4.3.7.1 the necessary quorum shall be two members of that class affected present in person or represented by proxy holding at least one-third of the voting rights of the class affected (but so that if at any adjourned meeting of such holders a quorum is not present, one person present holding shares of the affected class shall be a quorum) provided always that where the class has only one member, that member shall constitute the necessary quorum; and
- 4.3.7.2 any holder of shares of the class in question may demand a poll.
- 4.3.8 The Company may exercise the powers of paying commissions and in such an amount or at such a percentage rate as the Directors may determine. Subject to the provisions of the Companies Law any such commission may be satisfied by the payment of cash or by the allotment and issue of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.
- 4.3.9 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise (even when having notice thereof) any interest in any share except an absolute right to the entirety thereof in the holder.
- 4.4 **Disclosure Notice, Information Rights and the Disclosure Guidance and Transparency Rules**
- 4.4.1 The Company may, by notice in writing (a “**Disclosure Notice**”) require a person whom the Directors know to be or have reasonable cause to believe is or, at any time during the 3 years immediately preceding the date on which the Disclosure Notice is issued, to have been interested in any shares:
- 4.4.1.1 to confirm that fact or (as the case may be) to indicate whether or not it is the case; and
- 4.4.1.2 to give such further information as may be required in accordance with the Articles, as summarised in sub-paragraph 4.4.2 below.
- 4.4.2 A Disclosure Notice may (without limitation) require the person to whom it is addressed:
- 4.4.2.1 to give particulars of the person’s status (including whether such person is a Non-Qualified Holder), domicile, nationality and residency;
- 4.4.2.2 to give particulars of his own past or present interest in any shares (held by him at any time during the 3 year period specified in the Articles, as summarised in sub-paragraph 4.4.1 above) and the nature of such interest;
- 4.4.2.3 to disclose the identity of any other person who has a present interest in the shares held by him (or held by him at any time during the 3 year period specified in sub-paragraph 4.4.1 above);

- 4.4.2.4 where the interest is a present interest and any other interest in any shares subsisted during that 3 year period at any time when his own interest subsisted, to give (so far as is within his knowledge) such particulars with respect to that other interest as may be required by the Disclosure Notice; and
- 4.4.2.5 where his interest is a past interest to give (so far as is within his knowledge) such particulars of the identity of the person who held that interest immediately upon his ceasing to hold it.
- 4.4.3 In addition to the right of the Company to serve notice on any person pursuant to sub-paragraph 4.4.1 above, the Company may at any time and from time to time serve a notice in writing (an “**Information Notice**”) on any Shareholder requiring that Shareholder to promptly provide the Company with any information, representations, certificates, waivers or forms (“**Information**”) relating to such Shareholder (and its direct or indirect owners or account holders or the persons beneficially interested, directly or indirectly in the shares in the Company held by such Shareholder) that the Directors may determine from time to time is necessary or appropriate for the Company to have in order to: (a) satisfy any account or payee identification, documentation or other diligence requirements and any reporting requirements imposed under or in relation to AML Legislation and/or International Tax Compliance Legislation; or (b) avoid or reduce any tax or penalty otherwise imposed by International Tax Compliance Legislation (including any withholding upon any payments to such Shareholder by the Company); or (c) prevent a non-exempt prohibited transaction under ERISA or Section 4975 of the U.S. Tax Code or prevent the Company from becoming subject to laws or regulations that are substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the U.S. Tax Code; or (d) 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 U.S. Tax Code. The Company and its agents shall be entitled to hold and process the Information for the purposes of carrying out the business of the Company and the administration and protection of its interests, and shall process any personal data in accordance with all applicable data protection legislation.
- 4.4.4 Each Shareholder shall promptly notify the Company upon any change in circumstances that could affect the accuracy or correctness of the information, representations, documents, certificates or forms provided pursuant to paragraph 4.4.3 above.
- 4.4.5 The Company or its agents shall, if required to do so under the legislation of any jurisdiction to which any of them are subject, be entitled to release or disclose any information in their possession regarding the Company or its affairs or any of its Shareholders (or their direct or indirect owners or account holders), including without limitation information required under any International Tax Compliance Legislation. In making payments to or for the benefit of Shareholders, the Company may also make any withholding or deduction required by any International Tax Compliance Legislation.
- 4.4.6 Chapter 5 of the Disclosure Guidance and Transparency Rules (“**DTR5**”), which on the basis incorporated into the Articles is as if the Company were a “UK issuer” as such term is defined by DTR5, requires members to notify the Company if the voting rights attached to shares in the Company held by them (subject to certain exceptions as set out in DTR5) reach, exceed or fall below 3 per cent. and each 1 per cent. threshold thereafter up to 100 per cent. Pursuant to the Articles, the Company may also send a notice (a “**DTR Notice**”) to any person whom it knows or believes to be interested in its shares, requiring such person to confirm whether he has such an interest and, if so, details of that interest.
- 4.4.7 Any Disclosure Notice, Information Notice or DTR Notice issued or served by the Company shall require any information in response to such notice to be given within the prescribed period (which is 28 days after service of the notice or 14 days if the shares concerned represent 0.25 per cent. or more in number of the issued shares of the relevant class) or such other reasonable period as the Directors may determine.
- 4.4.8 If any member is in default in supplying to the Company the information required by the Company pursuant to sub-paragraphs 4.4.1, 4.4.3 and 4.4.6 within the prescribed period or such other reasonable period as the Directors determine or provides information that is false in a material particular, 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 shares in respect of which the default has occurred (the “**Default Shares**”) 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 shares concerned, the Direction Notice may additionally direct that dividends on such shares will be retained by the Company (without interest) and that, subject to the requirements of the London Stock Exchange, no transfer of the Default Shares (other than a transfer authorised under the Articles) shall be registered until the default is rectified. Subject always to the CREST Regulations and the Rules and the London Stock Exchange, where the Directors have any grounds to believe that such Default Shares, are held by or for the benefit of or by persons acting on behalf of a Non-Qualified Holder, the Directors may at their discretion deem the Default Shares to be held by, or on behalf of or for the benefit of, a Non-Qualified Holder (as the Directors may determine) and that the provisions of the Articles, as summarised in sub-paragraph 4.7.8 below, should apply to such Default Shares.

#### 4.5 **Pre-emption rights**

4.5.1 Subject to the provisions of this paragraph 4.5, the Company shall not issue equity securities, nor sell them from treasury, for cash on any terms to a person unless:

4.5.1.1 it has made an offer to each person who holds equity securities of the same class in the Company to issue to him on the same or more favourable terms a proportion of those equity securities that is as nearly as practicable equal to the proportion in number held by him of the share capital of the Company of that class; and

4.5.1.2 the period during which any such offer may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer so made,

provided that the Directors may impose such exclusions and/or make such other arrangements as they deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange in any territory or otherwise. The holders of equity securities affected as a result of such exclusions or arrangements shall not be deemed, or be deemed to be, a separate class of members for any purposes whatsoever.

4.5.2 Securities that the Company has offered to issue to a holder of equity securities in accordance with sub-paragraph 4.5.1 above may be issued to him, or anyone in whose favour he has renounced his right to their issue, without contravening the restriction referred to in sub-paragraph 4.5.1.

4.5.3 Shares held by the Company as treasury shares shall be disregarded for the purposes of the restriction referred to in sub-paragraph 4.5.1, so that the Company is not treated as a person who holds shares; and equity securities held as treasury shares are not treated as forming part of the share capital of the Company.

4.5.4 Any offer required to be made by the Company pursuant to the restriction referred to in sub-paragraph 4.5.1 should be made by a notice in writing (given in accordance with the notice provisions of the Articles) and must state a period of not less than 14 days beginning on the date on which such offer is deemed to be delivered or received (as the case may be) pursuant to the notice provisions of the Articles during which it may be accepted and the offer shall not be withdrawn before the end of that period.

4.5.5 The restriction referred to in sub-paragraph 4.5.1 shall not apply in relation to the issue of:

4.5.5.1 bonus shares, Subscription Shares, any Ordinary Shares allotted and issued pursuant to the exercise of the Subscription Shares, shares issued in lieu of dividend or distribution, nor to a particular issue of equity securities if they are, or are to be wholly or partly paid otherwise than in cash; or

4.5.5.2 equity securities in connection with a rights issue, open offer or other offer of securities in favour of the holders of shares or a class of shares at such record date as the Directors may determine where the securities attributable to the interests of holders of shares or a class of shares are proportionate (as near as may be practicable) to the respective number of shares of that class held by them

on such record date, subject to such conditions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems arising under the laws of any jurisdiction or the requirements of any regulatory body or stock exchange or any other matter whatsoever.

4.5.6 Notwithstanding sub-paragraphs 4.5.1 to 4.5.5 above, the Directors may be given by virtue of a special resolution the power to issue, or sell from treasury, equity securities either generally or in respect of a specific issue, or sale from treasury, such that:

4.5.6.1 sub-paragraph 4.5.1 shall not apply to the issue of equity securities or otherwise or sale of Shares from treasury; or

4.5.6.2 sub-paragraph 4.5.1 shall only apply to the issue of equity securities, or sale of equity securities or otherwise from treasury with such modifications as the Directors may determine; and

the authority granted by the special resolution may be granted for such period of time as the special resolution permits and such authority may be revoked, repealed or varied by a further special resolution, provided that such special resolution must:

4.5.6.3 state the maximum number of equity securities in respect of which the restriction in sub-paragraph 4.5.1 is excluded or modified; and

4.5.6.4 specify the date on which such exclusions or modifications will expire, which must be not more than five years from the date on which the resolution is passed.

4.5.7 Any such special resolution passed may:

4.5.7.1 be renewed or further renewed by a further special resolution for a further period not exceeding five years; and

4.5.7.2 be revoked or varied at any time by a further special resolution.

4.5.8 Notwithstanding that any such special resolution may have expired, the Directors may issue or sell from treasury equity securities in pursuance of an offer or agreement previously made by the Company if the resolution enabled the Company to make an offer or agreement that would or might require equity securities to be issued or sold from treasury after it expired.

4.5.9 The pre-emption rights described above have been disappplied, *inter alia*, in relation to the issue of Ordinary Shares in connection with the Initial Issue and subsequent issues of Shares in connection with the Placing Programme.

#### 4.6 **Untraceable Shareholders**

The Company shall be entitled to sell at the best price reasonably obtainable the shares of a member or any shares to which a person is entitled by transmission on death or bankruptcy if, in accordance with the terms of the Articles, that person has not claimed or accepted dividends declared over a period of time and has not responded to advertisements of the Company.

#### 4.7 **Transfer of Shares**

4.7.1 Subject to the terms of the Articles, any member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the Directors may approve. An instrument of transfer of a certificated share shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee.

4.7.2 Subject to the terms of the Articles, any member may transfer all or any of his uncertificated shares by means of an Uncertificated System authorised by the Directors in such manner provided for, and subject as provided, in the CREST Regulations and the Rules and no provision of the Articles shall apply in respect of an uncertificated share to the extent that it requires or contemplates the effecting of a transfer by an instrument in writing or the production of a certificate for the shares to be transferred.

- 4.7.3 Notwithstanding anything contained in the Articles where any class of shares is, for the time being, admitted to settlement by means of an Uncertificated System:
- 4.7.3.1 such shares may be issued in uncertificated form in accordance with and subject as provided in the CREST Regulations and the Rules;
  - 4.7.3.2 unless the Directors otherwise determine such shares held by the same holder or joint holder in certificated form and uncertificated form shall be treated as separate holdings;
  - 4.7.3.3 such shares may be changed from uncertificated to certificated form, and from certificated to uncertificated form, in accordance with and subject as provided in the CREST Regulations and the Rules;
  - 4.7.3.4 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 Uncertificated System and as provided in the CREST Regulations and the Rules and accordingly (and in particular) no provision of these Articles shall apply in respect of such shares to the extent that those Articles require or contemplate the effecting of a transfer by an instrument in writing and the production of a certificate for the security to be transferred;
  - 4.7.3.5 the Company shall comply in all respects with the CREST Regulations and the Rules;
  - 4.7.3.6 no provision of the Articles shall apply so as to require the Company to issue a certificate to any person holding such shares in uncertificated form;
  - 4.7.3.7 such shares are not to be regarded as forming a separate class from certificated shares of that class; and
  - 4.7.3.8 the maximum number of joint holders of a share shall be four.
- 4.7.4 The Directors may, in their absolute discretion and without giving a reason, refuse to transfer, convert or register any transfer of any share in certificated form or uncertificated form (subject to sub-paragraph 4.7.5 below) which is not fully paid or on which the Company has a lien, provided in the case of a listed or quoted share that this would not prevent dealings in the share from taking place on an open and proper basis on the London Stock Exchange. In addition, the Directors may refuse to register a transfer of shares if:
- 4.7.4.1 it is in respect of more than one class of shares;
  - 4.7.4.2 it is in favour of more than four joint transferees;
  - 4.7.4.3 in relation to a share in certificated form, having been delivered for registration to the registered office or such other place as the Directors may decide, it is not accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to prove title of the transferor and the due execution by him of the transfer or, if the transfer is executed by some other person on his behalf, the authority of that person to do so; or
  - 4.7.4.4 the transfer is in favour of any Non-Qualified Holder.
- 4.7.5 The Directors may only decline to register a transfer of an uncertificated share in the circumstances set out in the CREST Regulations and the Rules, where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.
- 4.7.6 Subject to such restrictions (if any) as may be imposed by the CREST Regulations and/or the Rules, the registration of transfers of shares or of transfers of any class of shares may be suspended by giving such notices as may be required by the CREST Regulations and/or the Rules at such times and for such periods (not exceeding thirty days in any year) as the Directors may determine.

- 4.7.7 No fee shall be charged for the registration of any instrument of transfer or, subject as otherwise provided in the Articles, any other document relating to or affecting the title to any share.
- 4.7.8 If it shall come to the notice of the Directors that any shares are owned directly, indirectly or beneficially by a Non-Qualified Holder or a transfer of shares is in favour of any Non-Qualified Holder, the Directors may: (i) refuse to register a transfer of such shares and/or (ii) serve a notice (a “**Transfer Notice**”) upon the person (or any one of such persons where shares are registered in joint names) appearing in the Register as the holder (the “**Vendor**”) of any of the shares concerned (the “**Relevant Shares**”) requiring the Vendor within twenty-one days (or such extended time as in all the circumstances the Directors consider reasonable) to transfer (and/or procure the disposal of interests in) the Relevant Shares to another person who, in the sole and conclusive determination of the Directors, is not a Non-Qualified Holder (such a person being hereinafter called an “**Eligible Transferee**”). On and after the date of such Transfer Notice, and until registration of a transfer of the Relevant Share to which it relates pursuant to the provisions referred to in this sub-paragraph 4.7.8 or sub-paragraph 4.7.9 below, the rights and privileges attaching to the Relevant Shares will be suspended and not capable of exercise.
- 4.7.9 If within twenty-one days after the giving of a Transfer Notice (or such extended time as in all the circumstances the Directors consider reasonable) the Transfer Notice has not been complied with to the satisfaction of the Directors, the Company may sell the Relevant Shares on behalf of the holder of them by instructing a member of the London Stock Exchange to sell them on arm’s length terms to any Eligible Transferee or Eligible Transferees. For this purpose the Directors may authorise in writing any officer or employee of the Company or any officer or employee of the secretary of the Company or of any manager that may be appointed to transfer the Relevant Shares on behalf of the holder of them to the purchaser or purchasers and an instrument of transfer executed by that person will be as effective as if it had been executed by the holder of, or the person entitled by transmission to, the Relevant Shares. The purchaser will not be bound to see the application of the purchase monies nor will its title to the Relevant Shares be affected by an irregularity or invalidity in the proceedings relating to the sale or by the price at which the Relevant Shares are sold. The net proceeds of the sale of the Relevant Shares will be received by the Company, whose receipt will be a good discharge for the purchase moneys, and will belong to the Company and, upon their receipt, the Company will become indebted to the former holder of, or person entitled by transmission to, the Relevant Shares for an amount equal to the net proceeds of transfer upon surrender by it or them, in the case of certificated shares, of the certificate for the Relevant Shares which the Vendor shall immediately be obliged to deliver to the Company. No trust will be created in respect of the debt and no interest will be payable in respect of it. The Company will pay to the Vendor at its discretion or on demand by the Vendor the proceeds of transferring the Relevant Shares (less costs and expenses) but otherwise the Company will not be required to account for any money secured from the net proceeds of transfer which may be employed in the business of the Company or as it thinks fit. The Company may register the transferee as holder or holders of the Relevant Shares at which time the transferee will become absolutely entitled to them.
- 4.7.10 A person who becomes aware that it is a Non-Qualified Holder shall forthwith, unless it has already received a Transfer Notice pursuant to the provisions of the Articles summarised in sub-paragraph 4.7.8 above, either transfer the shares to one or more Eligible Transferees or give a request in writing to the Directors for the issue of a Transfer Notice in accordance with the provisions of the Articles summarised in sub-paragraph 4.7.8 above. Every such request shall, in the case of certificated shares, be accompanied by the certificate(s) for the shares to which it relates.
- 4.7.11 Subject to the provisions of the Articles, the Directors will, unless any Director has reason to believe otherwise, be entitled to assume without enquiry that none of the shares are held directly, indirectly or beneficially by a Non-Qualified Holder. The Directors may, however, at any time and from time to time call upon any holder (or any one of joint holders) of shares by notice in writing to provide such information and evidence as they require upon any matter connected with or in relation to such holder of shares. In the event of such

information and evidence not being so provided within such reasonable period (not being less than twenty-one days after service of the notice requiring the same) as may be specified by the Directors in the said notice, the Directors may, in their absolute discretion, treat any share held by such a holder or joint holders as being held by a Non-Qualified Holder.

4.7.12 The Directors will not be required to give any reasons for any decision, determination or declaration taken or made in accordance with these provisions. The exercise of the powers conferred by the provisions of the Articles summarised in sub-paragraphs 4.7.8 and/or 4.7.9 and/or 4.7.10 and/or 4.7.11 above may not be questioned or invalidated in any case on the grounds that there was insufficient evidence of direct, indirect or beneficial ownership or holding of shares by any person or that the true direct, indirect or beneficial owner or holder of any shares was otherwise than as appeared to the Directors at the relevant date provided that the said powers have been exercised in good faith.

#### 4.8 **Alteration of Share Capital**

The Company may by ordinary resolution alter its share capital, including, *inter alia*, consolidating share capital, sub-dividing shares, cancelling untaken shares, redesignating the whole, or any particular class, of shares into shares of another class, converting shares into shares of a different currency and denominating or redenominating the currency of share capital.

#### 4.9 **Notice of General Meeting**

4.9.1 Unless special notice is required in accordance with the Companies Law, any general meeting shall be called by at least ten 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 failure to provide notice of a meeting, or to send any other document to a person entitled to receive such notice or document, shall not invalidate the proceedings at that meeting or call into question the validity of any actions, resolutions or decisions taken.

4.9.2 All members are deemed to have agreed to accept communications from the Company by electronic means in accordance with the Articles.

#### 4.10 **Powers of Directors**

Subject as hereinafter provided, the Directors may exercise all the powers of the Company to borrow or raise money (including the power to borrow for the purpose of redeeming shares) and secure any debt or obligation of or binding on the Company in any manner including by the issue of debentures (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge, pledge or lien upon the whole or any part of the Company's undertaking, property or assets (whether present or future) and also by a similar mortgage, charge, pledge or lien to secure and guarantee the performance of any obligation or liability undertaken by the Company or any third party.

#### 4.11 **Appointment of Directors**

4.11.1 Subject to the Companies Law and the Articles, the Directors shall have power at any time, and from time to time, without sanction of the Company in general meeting, to appoint any person to be a Director, either to fill a casual vacancy or as an additional Director. Any Director so appointed shall hold office only until the next following annual general meeting and shall then be eligible for re-appointment. Subject to the Companies Law and the Articles, the Company may by ordinary resolution appoint any person as a Director in place of a Director removed from office under paragraph 4.12, to fill a casual vacancy or as an additional Director.

#### 4.12 **Retirement and Removal of Directors**

4.12.1 There is no age limit at which a Director is required to retire.

4.12.2 At each annual general meeting of the Company, each Director shall retire from office and each Director may offer himself for election or re-election by the Shareholders.

4.12.3 The office of a Director shall be vacated if he resigns his office by giving notice in writing to that effect to the Company at the Company's registered office, which notice shall be effective upon such date as may be specified in the notice, failing which upon delivery thereof to the Company's registered office; if he becomes ineligible to be a Director in accordance with the Companies Law; or if he shall have absented himself (such absence not being absence with leave or by arrangement with the Directors on the affairs of the Company) from meetings of the Directors for six months in succession and the other Directors shall have resolved that his office shall be vacated; or he becomes bankrupt, suspends payment or compounds with his creditors, or is adjudged insolvent or has his affairs declared *en désastre* or has a preliminary vesting order made against his Guernsey realty; or if he dies; or he becomes of unsound mind or incapable or an order is made by a court having jurisdiction (whether in Guernsey or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator or other person to exercise powers with respect to his property or affairs; or he resigns his office by written notice to the Company; or the Company so resolves by ordinary resolution; or if he is removed by resolution of the Directors in writing signed by all his co-Directors (being not less than two in number).

#### 4.13 **Remuneration of Directors**

Unless otherwise determined by the Company by ordinary resolution, the Directors shall be remunerated for their services at such rate as the Directors shall determine provided that the aggregate amount of such fees shall not exceed the annual equivalent of £500,000 per annum (or such sum as the Company in general meeting shall from time to time determine by way of ordinary resolution). The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or in connection with the business of the Company.

#### 4.14 **Directors' Interests**

4.14.1 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 to the Directors the nature and extent of his interest unless the transaction or proposed transaction is between the Director and the Company, and is to be entered into in the ordinary course of the Company's business and on usual terms and conditions.

4.14.2 For the purposes of the Article summarised in sub-paragraph 4.14.1 above, a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

4.14.3 A Director may not vote or be counted in the quorum on a resolution of the Board or committee of the Board concerning a contract, arrangement, transaction or proposal to which the Company is or is to be a party and in which he has an interest which (together with any interest of any person connected with him) is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company) but, in the absence of some other material interest than is mentioned below, this prohibition does not apply to a resolution concerning any of the following matters:

4.14.3.1 the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of or for the benefit of the Company or any of its subsidiaries;

4.14.3.2 the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part, either alone or jointly with others, under a guarantee or indemnity by the giving of security;

- 4.14.3.3 a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of the Company or any of its subsidiaries for subscription or purchase, in which offer he is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he is to participate;
  - 4.14.3.4 a contract, arrangement, transaction or proposal to which the Company is or is to be a party concerning another company (including any subsidiary of the Company) in which he (and any persons connected with him) is interested and whether as an officer, shareholder, creditor or otherwise, if he (and any persons connected with him) does not to his knowledge hold an interest in shares representing one per cent. or more of any class of the equity share capital of or the voting rights in the relevant company (or of any other company through which his interest is derived);
  - 4.14.3.5 a contract, arrangement, transaction or proposal for the benefit of employees of the Company or any of its subsidiaries which only awards him a privilege or benefit generally accorded to the employees to whom it relates; and
  - 4.14.3.6 a contract, arrangement, transaction or proposal concerning the purchase or maintenance of any insurance policy for the benefit of Directors or for the benefit of persons including Directors.
- 4.14.4 For the purposes of these provisions a person shall be treated as being connected with a Director if that person is:
- 4.14.4.1 a spouse, child (under the age of eighteen) or step child (under the age of eighteen) of the Director; or
  - 4.14.4.2 an associated body corporate which is a company in which the Director alone, or with connected persons, is directly or indirectly beneficially interested in 20 per cent. or more of the value of the equity share capital or is entitled (alone or with connected persons) to exercise or control the exercise of more than 20 per cent. of the voting power at general meetings; or
  - 4.14.4.3 a trustee (acting in that capacity) of any trust, the beneficiaries of which include the Director or persons falling within sub-paragraphs 4.14.4.1 and 4.14.4.2 above excluding trustees of an employees' share scheme or pension scheme; or
  - 4.14.4.4 a partner (acting in that capacity) of the Director or persons in sub-paragraphs 4.14.4.1 to 4.14.4.3 above.
- 4.14.5 Subject to the provisions of the Companies Law, and provided that he has disclosed to the other Directors in accordance with the Companies Law the nature and extent of any interest of his, a Director, notwithstanding his interest, may be counted in the quorum present at any meeting at which he or any other Director is appointed to hold any such office or place of profit under the Company, or at which the terms of any such appointment are arranged or at which any contract between the Director and the Company are considered, and he may vote on any such appointment or arrangement other than his own appointment or the arrangement of the terms thereof. Where proposals are under consideration concerning the appointment (including without limitation fixing or varying the terms of appointment or its termination) of two or more Directors to offices or places of profit with the Company or a company in which the Company is interested, such proposals shall be divided and a separate resolution considered in relation to each Director. In such case each of the Directors concerned (if not otherwise debarred from voting under these provisions) is entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- 4.14.6 Subject to the provisions of the Companies Law, and provided that he has disclosed to the other Directors in accordance with the Companies Law the nature and extent of any interest of his, a Director may hold any other office or place of profit under the Company (other than the Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine and no

Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such office or place of profit or as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director so contracting or being so interested be liable to account to the Company for any profits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

- 4.14.7 Any Director may act by himself or his firm in a professional capacity for the Company (other than Auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- 4.14.8 Any Director may continue to be or become a director, managing director, manager or other officer or member of any company promoted by the Company or in which the Company may be interested, and any such Director shall not be accountable to the Company for any remuneration or other benefits received by him as director, managing director, manager or other officer or member of any such company. The Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company or exercisable by them as director of such other company, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them director, managing director, managers or other officers of such company, or voting or providing for the payment of remuneration to themselves as directors, managing directors, managers or other officers of such company) and any Director may vote in favour of the exercise of such voting rights in the manner aforesaid, notwithstanding that he may be or be about to be appointed a director, managing director, manager or other officer of such company, and as such is or may become interested in the exercise of such voting rights in the manner aforesaid.
- 4.14.9 If a question arises at a meeting as to the materiality of a Director's interest (other than the interest of the chairman of the meeting) or as to the entitlement of a Director (other than the chairman) to vote or to be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be referred to the chairman and his ruling in relation to the Director concerned is conclusive and binding on all concerned.
- 4.14.10 If a question arises at a meeting as to the materiality of the interest of the chairman of the meeting or as to the entitlement of the chairman to vote or be counted in a quorum and the question is not resolved by his voluntarily agreeing to abstain from voting or being counted in the quorum, the question shall be decided by resolution of the Directors or committee members present at the meeting (excluding the chairman) whose majority vote is conclusive and binding on all concerned.
- 4.14.11 Any Director who, by virtue of office held or employment with any other body corporate, may from time to time receive information that is confidential to that other body corporate (or in respect of which he owes duties of secrecy or confidentiality to that other body corporate) shall be under no duty to the Company by reason of his being a Director to pass such information to the Company or to use that information for the benefit of the Company, in either case where the same would amount to a breach of confidence or other duty owed to that other body corporate.

#### 4.15 **Dividends and Distributions**

- 4.15.1 Subject to the provisions of the Companies Law and the Articles, the Company may by ordinary resolution declare dividends and/or make distributions in accordance with the respective rights of the members and the rights attaching to their shares and subject to sub-paragraph 4.15.4.
- 4.15.2 No dividend or distribution shall exceed the amount recommended by the Directors.
- 4.15.3 Without prejudice to sub-paragraph 4.15.1 and subject to the provisions of the Companies Law and the Articles, the Directors may from time to time authorise dividends and distributions to be paid to the members subject to any member's rights attaching to their shares.

- 4.15.4 Except as otherwise provided by the rights attached to shares, all dividends and distributions shall be declared and paid *pro rata* according to the respective numbers of shares held by members of the relevant class on which the dividend or distribution is paid. If any share is issued on terms providing that it shall rank for dividend or distribution as from a particular date, that share shall rank for dividend or distribution accordingly. Any resolution declaring a dividend or a distribution on a share, whether a resolution of the Company in general meeting or a resolution of the Directors, may specify that the same shall be payable to the person registered as the holders of the shares at the close of business on a particular date notwithstanding that it may be a date prior to that on which the resolution is passed and thereupon the dividend or distribution shall be payable to such persons in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend or distribution of transferors and transferees of any such shares.
- 4.15.5 A general meeting declaring a dividend or distribution may, upon the recommendation of the Directors, direct, or in the case of an interim dividend, the Directors may without the authority of an ordinary resolution direct, that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the Directors may authorise any person to sell and transfer any fractions or may ignore fractions altogether, and may fix the value for dividend and distribution purposes of any assets or any part thereof and may determine that cash shall be paid to any members upon the footing of the value so fixed in order to secure equality of dividend or distribution and may vest any assets which are the subject of a dividend or distribution in trustees as may seem expedient to the Directors.
- 4.15.6 The Directors may deduct from any dividend or distribution all sums of money (if any) presently payable by a shareholder to the Company on account of calls or otherwise in relation to the shares of the Company.
- 4.15.7 All unclaimed dividends or distributions may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee thereof. Any dividend or distribution which has remained unclaimed for twelve years from the date of declaration thereof shall, if the Directors so resolve, be forfeited and cease to remain owing by the Company. No dividend or distribution or other moneys payable in respect of a share shall bear interest against the Company.
- 4.15.8 The Directors may, subject to such terms and in such manner as they may determine, issue shares in lieu of dividends in accordance with section 306 of the Companies Law.

#### 4.16 **Winding-Up**

- 4.16.1 The Company may be wound up voluntarily if the members pass a special resolution requiring that the Company be wound up voluntarily. Upon the passing of such special resolution, the process of voluntary winding up shall commence and the Company shall cease to carry on business except in so far as it may be expedient for the beneficial winding up of the Company. The Company's corporate state and powers shall be deemed to continue until the Company's dissolution.
- 4.16.2 Upon a winding-up of the Company the surplus assets of the Company remaining after payment of all creditors, including the repayment of bank borrowings, shall be divided among the members *pro rata* to their holdings of those shares subject to the rights of any shares which may be issued with special rights or privileges.

#### 4.17 **Certain U.S. and U.S. related Tax Matters**

- 4.17.1 Without prejudice to sub-paragraph 4.4.3 above, the Company is authorised to take any action it determines is desirable to comply with International Tax Compliance Legislation, and may enter into an agreement with the U.S. Internal Revenue Service or the taxing and revenue services of any other country. The Company shall not pay any additional amounts to any person in respect of any withholding of taxes, including those relating to the provisions referred to above.
- 4.17.2 The Company is not required to make available the information necessary for any person to make a so-called "qualified electing fund" election under U.S. tax law.

#### 4.18 Continuation Resolution

4.18.1 The Directors shall propose an ordinary resolution that the Company continues its business as presently constituted (the “**Initial Continuation Resolution**”) at the Company’s annual general meeting in 2026. If the Initial Continuation Resolution is passed, the Directors shall propose an ordinary resolution that the Company continue its business as presently constituted at each fifth annual general meeting thereafter (a “**Continuation Resolution**”).

4.18.2 If the Initial Continuation Resolution or any Continuation Resolution is not passed, the Directors shall put forward proposals for the reconstruction or reorganisation of the Company to Shareholders for their approval as soon as reasonably practicable following the date on which the Initial Continuation Resolution or any Continuation Resolution (as the case may be) is not passed.

#### 4.19 C Shares

The following definitions apply for the purposes of this paragraph 4.19:

“**Calculation Date**” means the earliest of the:

- (a) close of business on the date to be determined by the Directors after the day on which the Investment Manager shall have given notice to the Directors that at least 80 per cent. of the net proceeds attributable to the relevant class of C Shares (or such other percentage as the Directors and Investment Manager shall agree) shall have been invested; or
- (b) close of business on the date falling twelve calendar months after the allotment of the relevant class of C Shares or if such a date is not a business day the next following Business Day; or
- (c) close of business on the last Business Day prior to the day on which the Directors resolve that Force Majeure Circumstances have arisen or are imminent; or
- (d) close of business on such date as the Directors may determine;

“**Conversion**” means, in relation to any class of C Shares, the conversion of that class of C Shares into New Shares of the relevant class in accordance with the Articles;

“**Conversion Date**” means a date which falls after the Calculation Date and is the date on which the admission of the New Shares arising on Conversion to trading on the London Stock Exchange becomes effective and which is the earlier of:

- (a) the opening of business on such Business Day as may be selected by the Directors provided that such day shall not be more than forty-five Business Days after the Calculation Date; and
- (b) such earlier date as the Directors may resolve should Force Majeure Circumstances have arisen or the Directors resolve that such circumstances have arisen or are imminent;

“**Conversion Ratio**” for the C Shares of the relevant class, is A divided by B calculated to four decimal places (with 0.00005 being rounded upwards) where:

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

$$B = \frac{E}{F}$$

where

“**C**” is the Net Asset Value attributable to the relevant class of C Shares as at the Calculation Date

“**D**” is the number of C Shares of the relevant class in issue at the Calculation Date;

“**E**” is the Net Asset Value attributable to the shares of the relevant class into which the relevant class of C Shares will convert as at the Calculation Date;

“F” is the number of shares of the relevant class into which the relevant class of C Shares will convert in issue at the Calculation Date (excluding any shares of the relevant class held as treasury shares);

provided that the Directors shall make such adjustments to the value or amount of A and B as: (i) the Auditors shall report to be appropriate having regard among other things, to the assets of the Company immediately prior to the date on which the Company first receives the net proceeds relating to the C Shares of the relevant class and/or to the reasons for the issue of the C Shares of the relevant class; (ii) in relation to any class of C Shares, amend the definition of Conversion Ratio in relation to that class as the Auditors consider appropriate; or (iii) the Directors deem appropriate;

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

“**New Shares**” means the Ordinary Shares arising on conversion of the relevant class of C Shares.

The holders of the C Shares shall, subject to the rights of any C Shares which may be issued with special rights or privileges, have the following rights as to income:

- (a) the C Shares of each class carry the right to receive all income of the Company attributable to that class of C Shares, and to participate in any distribution of such income by the Company *pro rata* to the relevant Net Asset Value attributable to each of the classes of C Share and within each such class income shall be divided *pari passu* amongst the holders of C Shares of that class in proportion to the number of C Shares of such class held by them;
- (b) the New Shares shall rank in full for all dividends and distributions declared, made or paid by reference to a record date falling after the Calculation Date and otherwise *pari passu* with Ordinary Shares in issue at the Calculation Date; and
- (c) no dividend or distribution shall be made or paid by the Company on any of its shares between the Calculation Date and the Conversion Date (both dates inclusive) and no such dividend shall be declared with a record date falling between the Calculation Date and the Conversion Date (both dates inclusive).

At a time when any C Shares are for the time being in issue and prior to the Conversion Date, on a winding up of the Company or other return of capital (other than by way of a repurchase or redemption of C Shares in accordance with the provisions of the Articles and the Companies Law): the surplus capital and assets of the Company attributable to the C Shares remaining after payment of all creditors shall, subject to the rights of any C Shares that may be issued with any special rights and privileges, be divided amongst the holders of C Shares of each class *pro rata* to the relative Net Asset Values attributable to each of the classes of C Share and within each such class, such assets shall be distributed *pari passu* amongst the holders of C Shares of that class in proportion to the number of C Shares of such class held by them.

As regards voting the C Shares shall carry the right to receive notice of and to attend, speak and vote (in accordance with Articles 19 to 24 of the Articles) at general meetings of the Company. The voting rights of holders of C Shares will be the same as that applying to other holders of shares as set out in the Articles.

Without prejudice to the generality of the Articles, for so long as there are C Shares in issue the consent of the holders of the C Shares by way of a special resolution of the holders of C Shares 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 or the Articles which directly or indirectly affects the rights attaching to the C Shares as set out in the Articles;
- (b) any issue of any security convertible into or carrying a right to subscribe for any share capital of the Company other than the issue of further C Shares;
- (c) the passing of any resolution to wind-up the Company; and
- (d) any change being made to the Company's accounting reference date.

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

- (a) the issue of further shares ranking *pari passu* in all respects with the shares already in issue (otherwise than in respect of any dividend or distribution declared, paid or made on the shares of the relevant class by the issue of such further shares); or
- (b) the sale of any shares held as treasury shares or the purchase or redemption of any shares by the Company (whether or not such shares are to be held in treasury).

For so long as one or more classes of C Shares are in issue and until Conversion, and without prejudice to its obligations under the Companies Law, the Company shall in relation to each class or classes of Ordinary Shares and C Shares (as appropriate):

- (a) procure that the Company's records and bank accounts shall be operated so that the assets attributable to the Ordinary Shares and the C Shares of the relevant class or classes (as appropriate) can, at all times, be separately identified and separate cash accounts shall be created and maintained in the books of the Company for the assets attributable to the Ordinary Shares and the C Shares of the relevant class or classes (as appropriate);
- (b) allocate to the assets attributable to the Ordinary Shares and the C Shares of the relevant class or classes (as appropriate) such proportion of the expenses and liabilities of the Company as the Directors fairly consider to be attributable to the Ordinary Shares and C Shares of the relevant class or classes (as appropriate); and
- (c) the Company shall give appropriate instructions to the Investment Manager and the Administrator to manage the Company's assets so that such undertaking can be complied with by the Company.

The C Shares are issued on such terms that they shall be redeemable by the Company in accordance with the terms set out in the Articles. At any time prior to Conversion, the Company may, subject to the provisions of the Laws (as defined in the Articles), 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, where applicable, to the facilities and procedures of any Uncertificated System) and in consideration of the payment of such redemption price as may be agreed between the Company and the relevant holders of C Shares.

The C Shares of the relevant class shall be converted into New Shares of the corresponding class on the Conversion Date in accordance with the following provisions of this paragraph:

- (a) the Directors shall procure that:
  - (i) the Company (or its delegate) calculates, within ten Business Days after the Calculation Date, the Conversion Ratio as at the Calculation Date and the numbers of New Shares to which each holder of C Shares shall be entitled on Conversion; and
  - (ii) the Auditors (or some other appropriately qualified person) shall be requested to certify, within three Business Days of the Calculation Date, that such calculations have been performed in accordance with the Articles and are arithmetically accurate whereupon such calculations shall become final and binding on the Company and all shareholders, subject to the proviso immediately after the definition of "F" above.

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 Shares of the relevant class of the Conversion Date, the Conversion Ratio and the aggregate number of New Shares of the relevant class to which holders of C Shares of the relevant class are entitled on Conversion.

Conversion shall take place on the Conversion Date. On Conversion:

- (a) each issued C Share of the relevant class shall automatically convert and be redesignated into such number of New Shares of the corresponding class as shall be necessary to ensure that, upon Conversion being completed, the number of New Shares of the relevant class equals the number of C Shares of the relevant class in issue at the Calculation Date multiplied by the Conversion Ratio (rounded down to the nearest whole New Share of the relevant class) (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to New Shares of the relevant class, 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 Shares of the relevant class, 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 of the relevant class who shall be bound by them;
- (b) 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 holder of C Shares of the relevant class new certificates in respect of the New Shares of the relevant class which have arisen upon Conversion unless such former holder of any C Shares of the relevant class elects to hold their New Shares of the relevant class in uncertificated form;
- (c) the Company will use its reasonable endeavours to procure that, upon Conversion, the New Shares are admitted to the trading on the London Stock Exchange; and
- (d) the Directors are authorised to effect such and any conversions and/or consolidations and/or subdivisions and/or combinations of the foregoing (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 or as they, in their discretion, consider fair and reasonable having regard to the interest of all shareholders.

#### 4.20 **Subscription Shares**

The provisions relating to the Subscription Shares are set out in Part 9 of this document.

## **5 TAKEOVER CODE**

### 5.1 **Mandatory bid**

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

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

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

## 5.2 **Compulsory acquisition**

The Companies Law provides that if an offer is made for the shares or any class of shares in the capital of a company and if, within four months after the date of such offer, the offer is approved or accepted by shareholders comprising not less than 90 per cent. in value of the shares affected, then the offeror may, within a period of two months immediately after the last day on which the offer can be approved or accepted, give notice to any dissenting shareholders informing them that it wishes to acquire their shares (an “**Acquisition Notice**”). Where an Acquisition Notice is given, the offeror is then entitled and bound to acquire the dissenting shareholders’ shares on the terms of the offer approved by the shareholders comprising not less than 90 per cent. in value of the shares affected; and where the terms of the offer provided a choice of consideration, the Acquisition Notice must give particulars of the choice and state (a) the period within which, and the manner in which, the dissenting shareholder must notify the offeror of his choice and (b) which consideration specified in the offer will apply if he does not so notify the offeror.

## 6 **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 incorporation and are, or may be, material or contain any provision under which the Company has any obligation or entitlement which is or may be material to it as at the date of this document:

### 6.1 **Placing and Offer Agreement**

The Placing and Offer Agreement dated 29 January 2021 between the Company, the Directors, the Investment Manager and Investec, pursuant to which, subject to certain conditions, Investec has agreed to use its reasonable endeavours to procure subscribers for Ordinary Shares pursuant to the Initial Placing at the Issue Price and to use its reasonable endeavours to procure subscribers under the Placing Programme for Shares at the applicable Placing Programme Price.

The Placing and Offer Agreement provides for Investec to be paid commissions by the Company in respect of the Shares to be allotted pursuant to the Initial Issue and the Placing Programme and in relation to the Ordinary Shares issued on the exercise of Subscription Shares. Any Shares subscribed for by Investec may be retained or dealt in by it for its own benefit.

Under the Placing and Offer Agreement, Investec is entitled at its discretion and out of its own resources at any time to rebate to any third party part or all of its fees relating to the Initial Placing and/or any Subsequent Placing and to retain agents and may pay commission in respect of the Initial Placing or any Subsequent Placing to any or all of those agents out of its own resources.

The Placing and Offer Agreement may be terminated by Investec in certain customary circumstances.

The obligation of the Company to issue the Ordinary Shares and the obligation of Investec to use its reasonable endeavours to procure subscribers for Ordinary Shares pursuant to the Initial Placing is conditional upon certain conditions that are typical for an agreement of this nature. These conditions include, among others: (i) Initial Admission having become effective on or before 8.00 a.m. on 16 February 2021 (or such later time and/or date as the Company, the Investment Manager and Investec may agree (not being later than 8.00 a.m. on 31 March 2021)); (ii) the Placing and Offer Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms at any time prior to Initial Admission; and (iii) the Minimum Gross Proceeds being raised (or such lesser amount as the Company, the Investment Manager and Investec may agree).

Each issue of Shares pursuant to a Subsequent Placing under the Placing Programme will be conditional, *inter alia*, on (i) Admission of the relevant Shares occurring by no later than 8.00 a.m. on such date as the Company, the Investment Manager and Investec may agree from time to time in relation to that Admission, not being later than 28 January 2022; (ii) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Regulation Rules; (iii) the applicable Placing Programme Price being determined

by the Directors as described in Part 6 of this document; and (iv) the Placing and Offer Agreement becoming wholly unconditional as regards the relevant Subsequent Placing (save as to the relevant Admission) and not having been terminated in accordance with its terms prior to the relevant Admission.

The Company, the Directors and the Investment Manager have given warranties to Investec concerning, *inter alia*, the accuracy of the information contained in this document. The Company and the Investment Manager have also given indemnities to Investec. The warranties and indemnities are standard for an agreement of this nature.

The Placing and Offer Agreement is governed by the laws of England and Wales.

## 6.2 Investment Management Agreement

The Investment Management Agreement dated 29 January 2021 between the Company, the Investment Manager and CDIM, pursuant to the terms of which the Investment Manager is appointed to act as the investment manager of the Company, with responsibility to perform portfolio management and risk management functions for the Company in accordance with the Company's investment policy, subject to the overall policies, supervision, review and control of the Board. Under the terms of the Investment Management Agreement and subject always to the investment guidelines contained in the Investment Management Agreement, the Investment Manager has discretion to buy, sell, retain or otherwise deal in the Company's assets. The Investment Manager is also required to comply with such regulatory requirements as may apply to it from time to time as the alternative investment fund manager of the Company for the purposes of the UK AIFM Regime and or the EU AIFM Directive.

Under the terms of the Investment Management Agreement, the Investment Manager has directed that all fees payable under the terms of the Investment Management Agreement should be paid to CDIM.

Subject to borrowing limits agreed with the Company, the Investment Manager shall have discretion to commit the Company to borrowing to include overdraft or other short term borrowing facilities.

The Investment Manager shall not be liable to the Company for any actions, proceedings, loss, claim, costs, charges and expenses, liabilities or damages ("**Losses**") arising out of the performance by the Investment Manager (or any other Manager Indemnified Person) of its obligations under the Investment Management Agreement unless resulting from the fraud, negligence or wilful misconduct of any Manager Indemnified Person, as finally determined by a court of competent jurisdiction and, in each case, to the extent such Losses did not arise as a result of any act or omission of the Company. For the purposes of this paragraph "**Manager Indemnified Person**" means the Investment Manager, each of its associates, delegates or agents and the officers, directors or employees of the Investment Manager or its respective associates, delegates or agents.

The Company shall indemnify and hold harmless each Manager Indemnified Person against all Losses which may be suffered or incurred by such Manager Indemnified Person arising out of or in connection with the Investment Management Agreement, including all legal, professional and other expenses properly incurred in connection therewith, except to the extent that the claim is due to the fraud, negligence or wilful misconduct, of any Manager Indemnified Person, as finally determined by a court of competent jurisdiction.

The Investment Manager is required, under the terms of the Investment Management Agreement, to perform its obligations with such skill and care as would be reasonably expected of a professional discretionary investment manager managing in good faith an investment company of comparable size and complexity to the Company and having a materially similar investment objective and investment policy and to ensure that its obligations under the Investment Management Agreement are performed by a team of appropriately qualified, trained and experienced professionals reasonably acceptable to the Board (the "**Services Standard**").

The Company shall pay, and CDIM shall, *inter alia*, be entitled to receive (as directed by the Investment Manager), the Annual Management Fee and the Performance Fee. Further details of the Annual Management Fee, the Performance Fee and other fees payable are described in paragraph 3 of Part 4 of this document.

The Investment Management Agreement may be terminated by the Company or the Investment Manager on not less than twelve months' prior written notice to the other party, such notice not to be served before the fourth anniversary of the date of Initial Admission (the "**Initial Term**").

The Investment Management Agreement may be terminated by the Company with immediate effect from the time at which notice of termination is given or, if later, the time at which such notice is expressed to take effect if:

- (i) an order has been made or an effective resolution passed for the winding-up or liquidation of the Investment Manager (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously consented to in writing by the Company, such consent not to be unreasonably withheld or delayed), or a receiver or similar officer has been appointed in respect of the Investment Manager or a substantial part of the Investment Manager's property, or the Investment Manager is, or is deemed to be, unable to pay its debts as and when due;
- (ii) the Investment Manager ceases to carry on its business or substantially the whole of its business;
- (iii) the Investment Manager (or any Manager Indemnified Person acting on its behalf) has: (i) in connection with the services provided to the Company under the Investment Management Agreement committed fraud, negligence or wilful default; or (ii) breached its material obligations under the Investment Management Agreement (including a breach of the Service Standard) and, where such breach is capable of remedy, fails to remedy such breach within 30 days after receiving notice from the Company requiring the same to be remedied;
- (iv) the Investment Manager ceases to maintain its permissions from the *Autorité des marchés financiers* in Québec resulting in it being unable to provide the portfolio management services and risk management services to the Company, or such permissions are suspended;
- (v) the Company is required by any relevant regulatory authority to terminate the Investment Manager's appointment; or
- (vi) a Key Person Event occurs and appropriate replacement(s) for the relevant Key Person(s) have not been nominated by the Investment Manager and approved by the Board (such approval not to be unreasonably withheld) within 6 months of the date on which the Key Person Event occurs.

In the event that a Key Person Event occurs, the Board may, at its discretion, direct the Investment Manager to not make any new investments until an appropriate replacement for the relevant Key Person(s) has been substituted by the Investment Manager and approved by the Board (such approval not to be unreasonably withheld), provided that nothing shall prevent the Investment Manager from making payments to discharge obligations in respect of existing investments or proposed investments where the Company is subject to a binding investment commitment.

The Investment Management Agreement may be terminated by the Investment Manager with immediate effect from the time at which notice of termination is given or, if later, the time at which such notice is expressed to take effect if:

- (vii) an order has been made or an effective resolution passed for the winding-up or liquidation of the Company (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously consented to in writing by the Investment Manager);

- (viii) the Board notifies the Investment Manager in writing that it proposes to make a material change to the investment objective and investment policy which would require Shareholders approval, and, in the opinion of the Investment Manager, acting reasonably and in good faith, the proposed change is of such significance that the Investment Manager would no longer be able to meet the requirements of the Services Standard;
- (ix) the Company has breached its material obligations under the Investment Management Agreement and, where such breach is capable of remedy, fails to remedy such breach within 30 days after receiving written notice from the Investment Manager requiring the same to be remedied;
- (x) the Company is the subject of a takeover offer which is declared unconditional for the purposes of the Takeover Code;
- (xi) if the Company, (i) takes such action or resolves to take such action; or (ii) fails to take such action or fails to resolve to take such action, as is recommended in writing by the Investment Manager, and in either case, the result of such action or inaction would cause the Investment Manager to be in breach of, or become unable otherwise to comply with its obligations under applicable law or regulation; or
- (xii) the Investment Manager is required by any relevant regulatory authority to terminate the Investment Management Agreement.

The Investment Management Agreement is governed by the laws of England and Wales.

### 6.3 **Administration and Company Secretarial Services Agreement**

The Administration and Company Secretarial Services Agreement between the Company and the Administrator dated 29 January 2021, pursuant to which the Administrator has agreed to act as administrator and Company Secretary to the Company.

Under the terms of the Administration and Company Secretarial Services Agreement, the Administrator shall provide the day-to-day administration of the Company and is also responsible for the Company's general administrative functions, such as the calculation, in conjunction with the Investment Manager, and publication of the Net Asset Value and maintenance of the Company's accounting and statutory records, and to provide the company secretarial functions required by the Companies Law and the RCIS Rules.

The Company has given certain warranties and indemnities in favour of the Administrator that are standard for an agreement of this nature, including warranties concerning the Company's status, capacity and authority to enter into, and perform its obligations under, the Administration and Company Secretarial Services Agreement, and an indemnity in respect of the Administrator's potential losses in carrying on its responsibilities under the Administration and Company Secretarial Services Agreement.

The Administration and Company Secretarial Services Agreement, amongst other termination rights, is terminable upon not less than three months' written notice. The Administration and Company Secretarial Services Agreement is also terminable immediately upon the occurrence of certain customary termination events including the insolvency of the Company or the Administrator, a party committing a material or persistent breach of the Administration and Company Secretarial Services Agreement (where such breach has not been remedied within 10 calendar days of written notice being given) or the Company, Administrator or Investment Manager acting in violation or default or in non-compliance with any securities or taxation laws or regulations applicable to them. Where such termination rights are exercised by the Administrator, in certain circumstances the Company will be obliged to pay the Administrator all outstanding fees, expenses and disbursements upon termination, including any additional costs resulting from the termination itself.

Details of the fees payable to the Administrator are set out in paragraph 6.3 of Part 4 of this document.

The Administration and Company Secretarial Services Agreement is governed by Guernsey law.

#### 6.4 **Registrar Agreement**

The Registrar Agreement dated 29 January 2021 between the Company and the Registrar pursuant to which the Registrar has agreed to act as registrar to the Company.

Under the Registrar Agreement, the Registrar is entitled to a fee calculated based on the number of Shareholders and the number of transfers processed (exclusive of any VAT). In addition, the Registrar is entitled to certain other fees for ad hoc services rendered from time to time. The Registrar is also entitled to reimbursement of reasonable costs and out of pocket expenses incurred by the Registrar in connection with the Registrar Agreement.

The Registrar Agreement is for an initial period of three years from the date of Initial Admission and is thereafter terminable by either party on not less than six months written notice, such notice not to expire before the third anniversary of Initial Admission.

The Company has given certain market standard indemnities in favour of the Registrar in respect of the Registrar's potential losses in carrying on its responsibilities under the Registrar Agreement. The Registrar's liabilities under the Registrar Agreement are subject to a cap.

The Registrar Agreement is governed by the laws of Guernsey.

#### 6.5 **Receiving Agent Agreement**

The Receiving Agent Agreement dated 29 January 2021 between the Company and the Receiving Agent pursuant to which the Receiving Agent has agreed to act as receiving agent in connection with the Offer for Subscription.

Under the terms of the agreement, the Receiving Agent is entitled to a fee from the Company of £5,000 (exclusive of VAT) for set up, placing and disbursements plus a per application processing fee in connection with these services. The Receiving Agent will also be entitled to reimbursement of all out-of-pocket expenses.

The Company has given certain market standard indemnities in favour of the Receiving Agent in respect of the Receiving Agent's potential losses in acting upon any instructions from the Company or the Company's advisers under the Receiving Agent Agreement. The Receiving Agent's liabilities under the Receiving Agent are subject to a cap.

The agreement is governed by the laws of England.

### 7 **LITIGATION**

There have been no governmental, legal or arbitration proceedings, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened, nor of any such proceedings having been pending or threatened at any time preceding the date of this document which may have, or have had in the recent past, a significant effect on the financial position or profitability of the Group.

### 8 **WORKING CAPITAL**

The Company is of the opinion that, on the basis the Minimum Net Proceeds are raised, the working capital available to the Company is sufficient for its present requirements that is for at least the next 12 months from the date of this document.

If the Minimum Net Proceeds are not raised, the Initial Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA. In the event that the Company does not wish to prepare and publish a supplementary prospectus incorporating a working capital statement based on a revised minimum net proceeds figure, the Initial Issue will not proceed, the arrangements in respect of the Initial Issue will lapse and any monies received in respect of the Initial Issue will be returned to applicants and placees without interest at each applicants' risk.

## 9 CAPITALISATION AND INDEBTEDNESS

As at the date of this document, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness, and there have been no material changes to the Company's capitalisation from the date of its incorporation to the date of this document.

## 10 GENERAL

- 10.1 Where third party information has been referenced in this document, the source of that third party information has been disclosed. All information in this document that has been sourced from third parties has been accurately reproduced and, as far as the Company is aware and able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 10.2 No application is being made for the Shares to be dealt with in or on any stock exchange or investment exchange other than to the Specialist Fund Segment.
- 10.3 There has been no significant change in the financial position of the Company between the date of its incorporation to the date of this document.
- 10.4 The Investment Manager was incorporated in the province of Québec, Canada as a corporation on 27 May 1999 under the Canada Business Corporations Act (registration number CA3621472). The Investment Manager is registered in three categories in the provinces of Ontario and Québec with, respectively, the Ontario Securities Commission and the *Autorité des marchés financiers* in Québec respectively as, (1) an Investment Fund Manager (IFM), (2) a dealer in the category of exempt market dealer (EMD) and (3) an advisor in the category of portfolio manager (PM). The Investment Manager is registered in the province of Alberta as, (1) a dealer in the category of exempt market dealer (EMD), and (2) a portfolio manager (PM) and also registered in British Columbia under the category of exempt market dealer (EMD). The Investment Manager is also an SEC Registered Investment Advisor (RIA) in the United States. The registered office of the Investment Manager is 28th Floor, Bank of Nova Scotia Tower, 1002 Sherbrooke Street West, Montreal, Québec, QC H3A 3L6, Canada (tel. +1 514-286-1142).
- 10.5 The Investment Manager has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.
- 10.6 The Investment Manager accepts responsibility for the following parts of this document for the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) (together the "**Investment Manager Sections**"): (i) Risk Factors – the sections headed "Risks relating the Investment Policy", "Risks relating to making investments", "Risks relating to Digital Infrastructure Assets" and "Risks relating to the Investment Manager"; (ii) Part 1 – Information on the Company – the sections headed "Investment Objective and Investment Policy", "Competitive Advantages", "Investment Strategy", "ESG" and "Dividend Policy and Target Returns"; (iii) Part 2 – The Digital Infrastructure Investment Opportunity; (iv) Part 3 – Investment Pipeline and Track Record of the Investment Manager; (v) Part 4 – Directors, Management and Administration – the sections headed "The Investment Manager", "The Investment Management Agreement" and "Investment Process"; (vi) Part 8 – General Information – the sections headed "Investment Management Agreement" and "Additional UK AIFM Regime and EU AIFM Directive Disclosures"; and (vii) Part 10 – Glossary of Relevant Terms. To the best of the knowledge of the Investment Manager, the Investment Manager Sections are in accordance with the facts and make no omission likely to affect its import.
- 10.7 The Auditors of the Company are BDO Limited of P O Box 180, Place du Pré, Rue du Pré, St Peter Port, Guernsey GY1 3LL and have been the only Auditors of the Company since its incorporation. BDO Limited is a member firm of the Institute of Chartered Accountants in England and Wales.
- 10.8 Documents of title relating to the Group's investments from time to time may be held by the Investment Manager or the Administrator or such other fiduciary service providers to the Group as be appropriate in the circumstances.

- 10.9 The Company is not expected to invest in or hold custodial assets. However, to the extent the Company does hold custodial assets it will appoint a suitable custodian or depository to hold such assets. Cash on deposit will at all times be held in a bank account in the name of the Company and in relation to which the Administrator will be the sole or co-signatory.
- 10.10 The effect of the Initial Issue will be to increase the net assets of the Company. On the assumption that the Initial Issue is subscribed as to 300 million Ordinary Shares, the fundraising is expected to increase the net assets of the Company by approximately £294 million.

## 11 **ADDITIONAL UK AIFM REGIME AND EU AIFM DIRECTIVE DISCLOSURES**

The UK AIFM Regime requires certain disclosures to be made by non-UK fund managers, such as the Investment Manager, when they market interests in an alternative investment fund to investors located in the United Kingdom.

In addition, the EU AIFM Directive imposes detailed and prescriptive obligations on fund managers established in the EEA (the “**Operative Provisions**”). These do not currently apply to fund managers established outside the EEA, such as the Investment Manager. Rather, non-EEA managers are only required to comply with certain disclosure, reporting and transparency obligations of the EU AIFM Directive (the “**Disclosure Provisions**”) and, even then, only if the non-EEA manager markets shares in an alternative investment fund to EEA domiciled investors within the EEA. Where the Disclosure Provisions appear to require disclosure on an Operative Provision which does not apply to the Company, no meaningful disclosure can be made. These Operative Provisions include prescriptive rules on measuring and capping leverage in line with known European standards, the treatment of investors, liquidity management, the use of “depositories” and cover for professional liability risks.

***The main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, the applicable law and the existence or absence of any legal instruments providing for the recognition and enforcement of judgments in the territory where the Company is established***

The Company is a company limited by shares, incorporated in Guernsey. While investors acquire an interest in the Company on subscribing for or purchasing Shares, the Company is the sole legal and/or beneficial owner of its investments. Consequently, Shareholders have no direct legal or beneficial interest in those investments. The liability of Shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the Shares held by them.

Shareholders’ rights in respect of their investment in the Company are governed by the Articles and the Companies Law. Under Guernsey law, the following types of claim may in certain circumstances be brought against a company, or on behalf of a company against its directors, by its shareholders: contractual claims under its articles of incorporation; claims in misrepresentation in respect of statements made in its prospectus and other marketing documents; unfair prejudice claims; and derivative actions. In the event that a Shareholder considers that it may have a claim against the Company in connection with such investment in the Company, such Shareholder should consult its own legal advisers.

### *Jurisdiction and applicable law*

As noted above, Shareholders’ rights are governed principally by the Articles and the Companies Law. By subscribing for Shares, investors agree to be bound by the Articles, which are governed by, and construed in accordance with, the laws of Guernsey.

### *Recognition and enforcement of foreign judgments*

Subject to the provisions and requirements of Guernsey’s reciprocal enforcement legislation, the Royal Court in Guernsey will recognise as a valid judgment and, without review of its substance, enforce any final and conclusive judgment obtained against the Company in the superior courts of a defined list of jurisdictions. The requirements of such reciprocal enforcement legislation include that the relevant judgment be given by a superior court of competent jurisdiction and that it be: (i) final and conclusive as between the parties thereto;

and (ii) in respect of a sum of money not being a sum payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty. The relevant legislation provides further that the registration of any such judgment may be set aside if, *inter alia*, the Royal Court is satisfied that: (i) the judgment is not a judgment to which reciprocal enforcement legislation applies or was registered in contravention of such reciprocal enforcement legislation; (ii) relevant superior courts have no jurisdiction in the circumstances of the case or the judgment debtor, being the defendant in the proceedings in the original court, did not receive notice of proceedings in the original court in sufficient time to enable him to defend the proceedings and did not appear; (iii) the judgment was obtained by fraud; (iv) enforcement would be contrary to public policy in Guernsey; or (v) the rights under the judgment are not vested in the person by whom the application for registration was made. The Royal Court would recognise as a valid judgment any final and conclusive judgment obtained in certain other jurisdictions against the Company and would give a judgment based thereon without reconsideration of the merits, assuming proper service of process and assumption of jurisdiction in accordance with the laws such jurisdictions if: (i) the judgment was for a fixed or ascertainable sum of money; (ii) the judgment was not obtained by fraud or in a manner opposed to the principles of natural justice; (iii) the judgment was not obtained in proceedings of a penal or taxation character; and (iv) recognition of the judgment is not contrary to public policy as applied by the Royal Court.

### ***Investors' rights against service providers to the Company***

The Company is reliant on the performance of third party service providers, including the Investment Manager, the Administrator, the Auditor and the Registrar.

Without prejudice to any potential right of action in tort that a Shareholder may have to bring a claim against a service provider, each Shareholder's contractual relationship in respect of its investment in Shares is with the Company only. Accordingly, no Shareholder will have any contractual claim against any service provider with respect to such service provider's default.

If a Shareholder considers that it may have a claim against a third party service provider in connection with such Shareholder's investment in the Company, such Shareholder should consult its own legal advisers.

The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 138D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 138D of the Financial Services and Markets Act 2000, or in tort, against any service provider in connection with their investment in the Company, should consult their legal adviser.

Shareholders who are "Eligible Complainants" for the purposes of the FCA "Dispute Resolutions Complaints" rules (natural persons, micro-enterprises and certain charities or trustees of a trust) are able to refer any complaints against FCA authorised service providers to the Financial Ombudsman Service ("FOS") (further details of which are available at [www.fscs.org.uk](http://www.fscs.org.uk)). Additionally, Shareholders may be eligible for compensation under the Financial Services Compensation Scheme ("FSCS") if they have claims against an FCA authorised service provider which is in default. There are limits on the amount of compensation. Further information about the FSCS can be found at [www.fscs.org.uk](http://www.fscs.org.uk). To determine eligibility in relation to either the FOS or the FSCS, Shareholders should consult the respective websites above and speak to their legal adviser.

### ***A description of how the Investment Manager ensures a fair treatment of investors***

The Directors of the Company have certain statutory duties with which they must comply. These include a duty upon each Director to act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. The Company has voluntarily undertaken to comply with the FCA's Premium Listing Principles which require the Company to treat all Shareholders of a given class equally.

The Investment Manager maintains a conflicts of interest policy to avoid and manage any conflicts of interest that may arise between it and the Company.

No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any investors.

The Shares of each class rank *pari passu* with each other.

***Liquidity risk management***

There is no right or entitlement attaching to Shares that allows them to be redeemed or repurchased by the Company at the option of the Shareholder.

Liquidity risk is therefore the risk that a position held by the Company cannot be realised at a reasonable value sufficiently quickly to meet the obligations (primarily, repayment of any debt and the fees payable to the Company's service providers) of the Company as they fall due.

In managing the Company's assets, therefore, the Investment Manager will seek to ensure that the Company holds at all times a portfolio of assets that is sufficiently liquid to enable it to discharge its payment obligations.

**12 DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available on the Company's website ([www.cordiantdigitaltrust.com](http://www.cordiantdigitaltrust.com)) and for inspection at the registered office of the Company during normal business hours on any Business Day from the date of this document until 16 February 2021:

- the memorandum of incorporation of the Company and the Articles; and
- this document.

Dated: 29 January 2021

## PART 9

### THE SUBSCRIPTION SHARES

The Subscription Shares will carry the rights described below which are contained in the Articles.

#### 1. Subscription Rights

- (a) A registered holder for the time being of a Subscription Share (a “**Subscription Shareholder**”) shall have a right (a “**Subscription Right**”) to subscribe in cash for one Ordinary Share by following the procedures set out in paragraph 1(d) below (in the case of Subscription Shares in certificated form) and in paragraph 1(e) below (in the case of Subscription Shares in uncertificated form).

Subscription Rights may be exercised for all or any of the Ordinary Shares to which an exercising holder’s Subscription Shares relate:

- (i) up to 1.00 p.m. on any Business Day (but being not less than 10 Business Days prior to, and including, the last Business Day of the relevant month) but shall take effect as at 5.00 p.m. on the last Business Day of the relevant month, in the period between 1 March 2021 and 31 August 2021; and thereafter,
- (ii) up to 1.00 p.m. on any Business Day (but being not less than 10 Business Days prior to, and including, the last Business Day in February or August, whichever is next following) but shall take effect as at 5.00 p.m. on the last Business Day in February and August (whichever next follows the date of exercise) in each calendar year up to, and including, the date being 10 Business Days prior to, and including, the last Business Day in February 2026 (the “**Final Subscription Date**”); and
- (iii) on any other date falling prior to the Final Subscription Date determined by the Directors in their absolute discretion from time to time,

(any date on which subscription occurs being a “**Subscription Date**”).

The price per Ordinary Share payable on the exercise of Subscription Rights (the “**Subscription Price**”) shall be determined by the Company as being equal to A less B (rounded up to the nearest whole penny payable in full in Sterling on subscription) where:

A – is the Headline Subscription Price (as set out below); and

B – is the cumulative amount of all distributions (including both dividend income and income which is designated as an interest distribution for UK tax purposes) paid in relation to an Ordinary Share up to the Subscription Date.

The Headline Subscription Price is:

<b>Where the Subscription Date is:</b>	<b>Headline Subscription Price (p)</b>
between 1 March 2021 and 31 August 2021	100.00
between 1 September 2021 and 28 February 2022	109.00
between 1 March 2022 and 28 February 2023	118.81
between 1 March 2023 and 29 February 2024	129.50
between 1 March 2024 and 28 February 2025	141.16
between 1 March 2025 and 28 February 2026	153.86

It is expected that an announcement setting out adjustments to the applicable Subscription Price will be made at the time the dividend or distribution is declared by the Company.

- (b) Each Subscription Share has a Subscription Right to one Ordinary Share, but the Subscription Price (and/or the number of Subscription Shares in issue) will be subject to adjustment as provided in paragraph 2 below.
- (c) The Subscription Shares registered in a holder’s name will be evidenced by a Subscription Share certificate issued by the Company and, in the case of Subscription Shares in uncertificated form, by means of any relevant computer-based system enabling title to units of a security to be evidenced and transferred without a written instrument (the “**Relevant**”).

**Electronic System” or “Relevant System”).** The Company shall be under no obligation to issue a Subscription Share certificate to any person holding Subscription Shares in uncertificated form.

- (d) In order to exercise the Subscription Rights, in whole or in part, which are conferred by any Subscription Shares that are in certificated form, the Subscription Shareholder must lodge the relevant Subscription Share certificate(s) and a certificated subscription notice in such form as the Directors may specify from time to time (a **“Certificated Subscription Notice”**) at the office of the registrars for the time being of the Company by not later than 1.00 p.m. on the relevant Subscription Date, having completed a Certificated Subscription Notice, accompanied by a remittance for the aggregate Subscription Price for the Ordinary Shares in respect of which the Subscription Rights are exercised. Any notice of exercise received after 5.00 p.m. on any Business Day will be treated as having been received on the following Business Day. Once lodged, a Certificated Subscription Notice shall be irrevocable save with the consent of the Directors. Compliance must also be made with any statutory and regulatory requirements for the time being applicable.
- (e) The Subscription Rights which are conferred by any Subscription Shares that are in uncertificated form (CREST) on the relevant Subscription Date shall be exercisable, in whole or in part, (and treated by the Company as exercised) on the relevant Subscription Date if by not later than 1.00 p.m. on the relevant Subscription Date, (i) an Uncertificated Subscription Notice is received as referred to below and (ii) a remittance for the aggregate Subscription Price for the Ordinary Shares in respect of which the Subscription Rights are being exercised is received by the Company or by such person as it may require for these purposes in such form and subject to such terms and conditions as may from time to time be prescribed by the Directors (subject always to the facilities and requirements of the Relevant Electronic System concerned). For these purposes, an **“Uncertificated Subscription Notice”** shall mean an Unmatched Stock Event (**“USE”**) instruction in CREST. Without prejudice to the generality of the foregoing, the effect of the Uncertificated Subscription Notice may be such as to divest the holder of the Subscription Shares concerned of the power to transfer such Subscription Shares to another person. Once lodged, an Uncertificated Subscription Notice shall be irrevocable save with the consent of the Directors. To be effective, compliance must also be made with any statutory and regulatory requirements for the time being applicable. In particular, unless otherwise agreed with the Company, the exercising Subscription Shareholder must, on or before the Subscription Date, deliver to the Company Secretary at the Company’s registered office a supplementary subscription notice (containing the representations and warranties set out in paragraph 9) in such form as the Directors may specify from time to time (a **“Supplementary Subscription Notice”**).
- (f) Not earlier than 56 days nor later than 30 days before the Final Subscription Date, the Company shall give notice in writing to the holders of the outstanding Subscription Shares reminding them of their Subscription Rights.
- (g) Ordinary Shares to be issued pursuant to the exercise of Subscription Rights which are conferred by any Subscription Shares that are in certificated form will, subject always to paragraph (k) below, be issued within ten Business Days of the first Business Day of the calendar month following the month in which the relevant notice of exercise of Subscription Rights was given, save in the case of the Final Subscription Date when the relevant Ordinary Shares will be issued not later than 14 days after the Final Subscription Date. The Ordinary Shares arising shall be issued with effect from the date of their issuance (and not the date upon which the notice of exercise is given or deemed to be given). Certificates in respect of such Ordinary Shares, together, if applicable, with a new share certificate for the balance of any Subscription Shares that are in certificated form in respect of which the Subscription Rights have not been exercised, will be despatched (at the risk of the person(s) entitled thereto) not later than 28 days after the relevant issuance date to the person(s) in whose name(s) the Subscription Share is/are registered at the date of exercise (and, if more than one, to the first-named, which shall be sufficient despatch for all) or (subject as provided by law and to the payment of stamp duty reserve tax or any like tax as may be applicable) to such other person(s) (not being more than four in number) as may be named in the form of nomination available for the purpose from the Company’s registrars (and, if more than one, to the first-named, which shall be sufficient despatch for all).

- (h) Ordinary Shares to be issued pursuant to the exercise of Subscription Rights which are conferred by Subscription Shares that are in uncertificated form will, subject always to paragraph (k) below, be issued not later than ten Business Days from the first Business Day of the calendar month following the month in which the relevant notice of exercise of Subscription Rights was given and the Company shall procure that the appropriate instructions are given to enable such Ordinary Shares to be evidenced by means of the Relevant Electronic System as a holding of the person(s) in whose name(s), and under the same CREST Participant ID and Member Account ID, the Subscription Shares in respect of which Subscription Rights have been exercised were registered as at the date of such exercise.
- (i) For the avoidance of doubt, unless the Directors otherwise determine or unless the regulations or the facilities or requirements of the Relevant Electronic System otherwise require, the Ordinary Shares issued on the exercise of any Subscription Rights shall be issued in certificated form where such Subscription Rights were conferred by Subscription Shares which were held in certificated form or in uncertificated form where such Subscription Rights were conferred by Subscription Shares which were held in uncertificated form.
- (j) Ordinary Shares allotted pursuant to the exercise of Subscription Rights will not rank for any dividends or distributions declared, paid or made on the Ordinary Shares by reference to a record date prior to the relevant issuance date but, subject thereto, will rank in full for all dividends and distributions declared, paid or made on the Ordinary Shares and otherwise will rank *pari passu* in all other respects with the Ordinary Shares in issue at the relevant issuance date, provided that, on any issuance falling to be made pursuant to paragraph 3(f) below, the Ordinary Shares to be issued shall not rank for any dividend or distribution declared, paid or made by reference to a record date prior to the date of actual issuance.
- (k) For so long as the Ordinary Shares are: (i) admitted to trading on the Specialist Fund Segment, or (ii) admitted to the Official List with a premium listing and to trading on the London Stock Exchange, it is the intention of the Company to apply to the Financial Conduct Authority and/or to the London Stock Exchange (as may be required) for the Ordinary Shares issued pursuant to any exercise of Subscription Rights to be: (i) admitted to trading on the Specialist Fund Segment, or (ii) admitted to the Official List with a premium listing and to trading on the London Stock Exchange (as the case may be) and, if such an application is made, the Company will use all reasonable endeavours to obtain the admissions pursuant thereto not later than 28 days after the relevant Subscription Date. If at the time of exercise of any Subscription Rights, the Company is an approved investment trust, the Ordinary Shares arising pursuant to any exercise of Subscription Rights will be allotted subject to admission: (i) to trading on the Specialist Fund Segment, or (ii) admitted to the Official List with a premium listing and to trading on the London Stock Exchange (as the case may be).
- (l) The Subscription Shares and the Ordinary Shares arising on the exercise of Subscription Rights have not been and will not be registered under the U.S. Securities Act or the securities laws of any other Restricted Territory and the relevant exemptions have not been and will not be obtained from the securities commission or similar regulatory authority of any province of Canada. Save where agreed otherwise in writing by the Company, the Subscription Shares, the Subscription Rights and the Ordinary Shares to be issued upon exercise of the Subscription Rights may not be offered, sold, resold, taken up, exercised, renounced, transferred or delivered, directly or indirectly, into or within any Restricted Territory or to any citizen or resident of any Restricted Territory or to, or for the account or benefit of a US Person (other than a Permitted US Shareholder) (a "**Restricted Person**"). Restricted Persons may not exercise Subscription Rights. Persons subscribing for Ordinary Shares in connection with the exercise of Subscription Rights shall (unless otherwise agreed with the Company) be required to represent and warrant to the Company in the Certificated Subscription Notice or Supplementary Subscription Notice (as the case may be) that they are not a Restricted Person and that they are not subscribing for such Ordinary Shares for the account of any Restricted Person and are not subscribing with a view to the re-offer or re-sale of such Ordinary Shares, directly or indirectly, in any Restricted Territory and will not offer, sell, renounce, transfer or deliver, directly or indirectly, such Ordinary Shares in any Restricted Territory or to or for the benefit of any Restricted Person.

- (m) The exercise of Subscription Rights by any Subscription Shareholder or beneficial owner of the Subscription Shares who is a Restricted Person or the right of such a Subscription Shareholder or beneficial holder to receive the Ordinary Shares falling to be issued to them following the exercise of their Subscription Rights, will be subject to such other requirements, conditions, restrictions, limitations or prohibitions as the Company may at any time impose, in its sole discretion, for the purpose of complying with (or for avoiding any requirement which would otherwise arise to comply with) the securities laws of the United States (including, without limitation, the U.S. Securities Act, the U.S. Investment Company Act and any rules or regulations promulgated thereunder) and the laws of any other Restricted Territory.

## 2. Adjustments of Subscription Rights

The Subscription Price (and the number of Subscription Shares outstanding) shall from time to time be adjusted in accordance with the provisions of this paragraph 2 and the Company shall not take any of the actions which would require such an adjustment unless the Directors have authority to issue sufficient Subscription Shares and Ordinary Shares to implement such adjustment and to satisfy in full all Subscription Rights remaining exercisable without the need for passing any further resolutions of Shareholders:

- (a) if and whenever the Company shall allot to Ordinary Shareholders any Ordinary Shares by way of a bonus issue (but excluding, for the avoidance of doubt Ordinary Shares issued in lieu of a cash dividend) on a date (or by reference to a record date) on or before the Final Subscription Date, the Subscription Price in force immediately prior to such allotment shall be adjusted by multiplying it by a fraction of which: (x) the numerator shall be the aggregate number of the issued Ordinary Shares immediately before such allotment, and (y) the denominator shall be the aggregate number of the issued and allotted Ordinary Shares immediately after such allotment and such adjustment shall become effective as at the date of allotment of such Ordinary Shares;
- (b) if on a date (or by reference to a record date) on or before the Final Subscription Date, the Company makes any offer or invitation (whether by way of rights issue, open offer or otherwise but not being an offer to which paragraph 3(f) below applies or an offer made in connection with scrip dividend arrangements) to the holders of the Ordinary Shares (subject to such exclusions as may be necessary to deal with legal, regulatory or practical problems in any jurisdiction), or any offer or invitation (not being an offer to which paragraph 3(d) below applies) is made to such holders otherwise than by the Company, then the Company shall, so far as it is able, procure that at the same time the same offer or invitation is made to the then Subscription Shareholders as if their Subscription Rights had been exercisable and had been exercised on the date immediately preceding the record date for such offer or invitation on the terms (subject to any adjustment made previously pursuant to paragraphs 2(a) to (d)) on which the same could have been exercised on that date, provided that, if the Directors so resolve in the case of any such offer or invitation made by the Company, the Company shall not be required to procure that the same offer or invitation is made to the then Subscription Shareholders but the Subscription Price shall be adjusted:
  - (i) in the case of an offer of Ordinary Shares for subscription by way of rights (a “**Rights Offer**”) at a price less than the market price of an Ordinary Share at the date of announcement of the terms of the offer, by multiplying the Subscription Price by a fraction of which the numerator is the number of Ordinary Shares in issue on the date of such announcement plus the number of Ordinary Shares which the aggregate amount payable for the total number of Ordinary Shares comprised in such Rights Offer would purchase at such market price and the denominator is the number of Ordinary Shares in issue on the date of such announcement plus the aggregate number of Ordinary Shares offered for subscription;
  - (ii) in the case of a Rights Offer at a price less than the net asset value of an Ordinary Share at the date of announcement of the terms of the offer, or such other date as may be specified for this purpose by the Board, the formula in (i) above shall apply save that the references to market price shall be substituted by references to net asset value; and

- (iii) in any other case, in such manner as the independent financial advisers (acting as experts and not arbitrators) appointed by the Board shall report in writing to be fair and reasonable.

Any such adjustments shall become effective, in the case of (i) and (ii) above, as at the date of issue of the Ordinary Shares which are the subject of the offer or invitation and, in the case of (iii) above, as at the date determined by the independent financial advisers appointed by the Board. For the purposes of this paragraph 2, and for the purposes of paragraph 3 and paragraph 4 below “**Market Price**” shall mean the average of the middle market quotations (as derived from Bloomberg or such other securities pricing service as shall be selected by the Directors) for one Ordinary Share for the five consecutive dealing days ending on the dealing day immediately preceding the day on which the market price is to be ascertained, making an appropriate adjustment if the Ordinary Shares to be issued pursuant to the offer or invitation do not rank, on some or all of the relevant dealing days, *pari passu* as to dividends or distributions with the Ordinary Shares in issue on those days and “**net asset value**” shall mean the value of the assets of the Company after deduction of all liabilities (including the costs of the Rights Offer) determined in accordance with the accounting policies adopted by the Company from time-to-time;

- (c) no adjustment will be made to the Subscription Price pursuant to paragraphs 2(a) to (b) above if it would result in an increase in the Subscription Price and, in any event, no adjustment will be made if such adjustment would (taken together with the amount of any adjustment carried forward under the provisions of this paragraph 2(c)) be less than 1 per cent. of the Subscription Price then in force and on any adjustment the adjusted Subscription Price will be rounded down to the nearest whole penny. Any adjustment not so made and any amount by which the Subscription Price is rounded down will be carried forward and taken into account in any subsequent adjustment;
- (d) whenever the Subscription Price is adjusted as provided in accordance with paragraphs 2(a) to (c) above, the Company shall issue, for no payment, additional Subscription Shares, registered as fully paid, to each Subscription Shareholder at the same time as such adjustment takes effect. The number of additional Subscription Shares to which a Subscription Shareholder will be entitled shall be the number of existing Subscription Shares held by them multiplied by the fraction (A-B)/B where A = the Subscription Price which would have been payable if the Subscription Rights had been exercisable and had been exercised immediately prior to the relevant adjustment pursuant to paragraph 2(a) to (c) above and B = the Subscription Price as adjusted pursuant to paragraph 2(a) to (c) above. Fractions of Subscription Shares will not be allotted to holders of Subscription Shares but all such fractions will be aggregated and, if practicable, sold in the market. The net proceeds will be paid to the Subscription Shareholders entitled thereto at the risk of such persons, save that amounts of less than £5.00 will be retained for the benefit of the Company. Subscription Share certificates relating to such additional Subscription Shares will, subject always to paragraph 1(k) above, be issued within 21 days of the said adjustment taking effect or the Company will procure that appropriate instructions are given to enable the adjustment to be made to the Subscription Shareholder's holding of Subscription Shares in the Relevant Electronic System;
- (e) the Company shall give notice to holders of Subscription Shares within 28 days of any adjustment made pursuant to paragraphs 2(a) to (d) above, which will be notified through a Regulatory Information Service;
- (f) if a holder of Subscription Shares shall become entitled to exercise their Subscription Rights pursuant to paragraph 3(e) below, the Subscription Price payable on such exercise (but not otherwise) shall be reduced by an amount determined by the independent financial advisers appointed by the Board in accordance with the following formula:

$$A = (B+C) - D$$

where:

A = the reduction in the Subscription Price;

- B = the Subscription Price which would, but for the provisions of this paragraph 2(f), be applicable (subject to any adjustments previously made pursuant to paragraphs 2(a) to (d) above) if the Subscription Rights were exercisable on the date on which the Company shall become aware as provided in paragraph 3(d) below;
- C = the average of the middle market quotations (as derived from Bloomberg or such other securities pricing service as shall be selected by the Directors) for one Subscription Share for the five consecutive dealing days ending on the dealing day immediately preceding the date of the announcement of the offer referred to in paragraph 3(d) below (or, where such offer is a revised offer, the original offer) or, if applicable and earlier, the date of the first announcement of the intention to make such offer or original offer or of the possibility of the same being made; and
- D = the average of the middle market quotations (as derived from Bloomberg or such other securities pricing service as shall be selected by the Directors) for one Ordinary Share for the five consecutive dealing days ending on the dealing day immediately preceding the date of the announcement of the offer referred to in paragraph 3(e) below (or, where such offer is a revised offer, the original offer) or, if applicable and earlier, the date of the first announcement of the intention to make such offer or original offer or of the possibility of the same being made,

provided that:

- (i) no adjustment shall be made to the Subscription Price where the value of D exceeds the aggregate value of B and C in the above formula; and
- (ii) the Subscription Price shall be further adjusted to take account of the market value of the Subscription Shares (which shall be deemed to be equal to the value of C) having regard *inter alia* to the time value of money in such manner as the independent financial advisers appointed by the Board shall report to be appropriate to achieve the same economic result for the Subscription Shareholders as if the Subscription Price had been reduced without regard to this proviso (ii).

The notice required to be given by the Company under paragraph 3(d) below shall give details of any reduction in the Subscription Price pursuant to this paragraph 2(f);

- (g) for the purpose of determining whether paragraph 3(f) below shall apply and accordingly whether each holder of a Subscription Share is to be treated as if their Subscription Rights had been exercisable and had been exercised as therein provided, the Subscription Price which would have been payable on such exercise shall be reduced by an amount determined by the independent financial advisers appointed by the Board in accordance with the following formula:

$$A = (B+C) - D$$

where:

- A = the reduction in the Subscription Price;
- B = the Subscription Price which would, but for the provisions of this paragraph 2(g), be applicable (subject to any adjustments previously made pursuant to paragraphs 2(a) to (d) above) if the Subscription Rights were exercisable on the date on which the order or the effective resolution referred to in paragraph 3(f) shall be made or passed (as the case may be);
- C = the average of the middle market quotations (as derived from Bloomberg or such other securities pricing service as shall be selected by the Directors) for one Subscription Share for the five consecutive dealing days ending on the dealing day immediately preceding the earliest of the following dates: (i) the date of an announcement by the Board of their intention to convene a general meeting for the purpose of passing a resolution, or to present a petition for a court order, to wind up the Company, (ii) the date of the notice of a general meeting convened for the purpose of passing a resolution to wind up the Company, (iii) the date of commencement of the winding up

of the Company by the court, and (iv) the date of suspension by the relevant exchange of dealings in the Subscription Shares prior to the making of any such announcement by the Board; and

D = the amount (as determined by the independent financial advisers appointed by the Board) of the assets available for distribution in the liquidation of the Company in respect of each Ordinary Share, taking into account for this purpose the Ordinary Shares which would arise on exercise of all the Subscription Rights and the Subscription Price which would be payable on the exercise of such Subscription Rights (subject to any adjustments previously made pursuant to paragraphs 2(a) to (d) above but ignoring any adjustment to be made pursuant to this paragraph 2(g)),

provided that no adjustment shall be made to the Subscription Price where the value of D exceeds the aggregate value of B and C in the above formula.

- (h) Notwithstanding the provisions of paragraphs 2(a) to 2(g) above, in any circumstances, where the Directors shall consider that an adjustment to the Subscription Price provided for under the said provisions should not be made or should be calculated on a different basis or that an adjustment to the Subscription Price should be made notwithstanding that no such adjustment is required under the said provisions or that an adjustment should take effect on a different date or with a different time from that provided under the said provisions in order to give a result which is fair and reasonable, the Company may appoint independent financial advisers to consider whether for any reason whatsoever the adjustment to be made (or the absence of adjustment) would or might not appropriately reflect the relative interests of the persons affected thereby and, if the independent financial advisers appointed by the Board (acting as experts and not as arbitrators) shall consider this to be the case, the adjustment shall be modified or nullified, or another adjustment made instead, or no adjustment made, in such manner including without limitation making an adjustment calculated on a different basis and/or to take effect from such other date and/or time as shall be reported by the independent financial advisers appointed by the Board to be in their opinion appropriate in order to give a result which is fair and reasonable.
- (i) Where an event which gives or may give rise to an adjustment to the Subscription Price occurs whether in such proximity in time to another such event or otherwise in circumstances such that the Company in its absolute discretion determines that the foregoing provisions need to be operated subject to some modification in order to give a result which is fair and reasonable in all the circumstances such modification shall be made in the operation of the foregoing provisions as may be advised by the independent financial advisers appointed by the Board to be in their opinion appropriate in order to give such a result.

### **3. Other Provisions**

So long as any Subscription Rights remain capable of exercise:

- (a) the Company shall not (except with the sanction of an Extraordinary Resolution of the Subscription Shareholders) on or by reference to a record date falling within the period of six weeks ending on the Final Subscription Date, make any such allotment as is referred to in paragraph 2(a) above or any such offer or invitation as is referred to in paragraph 2(b) above (except by extending to the Subscription Shareholders any such offer or invitation);
- (b) subject to paragraph 4 below, the Company shall not (except with the sanction of the Subscription Shareholders in accordance with paragraph 5 below) in any way modify the rights attached to its existing Ordinary Shares as a class, or create or issue any new class of equity share capital except for shares which carry, as compared with the rights attached to the existing Ordinary Shares, rights which are not more advantageous as regards voting, dividend or return of capital (save as to the date from which such shares shall rank for dividends or distributions), provided that nothing herein shall restrict the right of the Company to increase, consolidate or sub-divide its share capital;
- (c) the Company shall not grant (or agree to grant) any option in respect of, or create any rights of subscription for, or conversion into, any Ordinary Shares, which, together with the aggregate number of any Ordinary Shares over which options or rights of subscription or conversion (including those of the Subscription Shares) shall be subsisting at the date of such grant or creation, would exceed in the aggregate 20 per cent. of the Ordinary Shares (excluding any

treasury shares) then in issue, nor (except with the sanction of an Extraordinary Resolution of the Subscription Shareholders) will the Company grant (or offer or agree to grant) any such option in respect of, or create any such rights of subscription or conversion for, or issue any securities or loan capital carrying rights of conversion into, Ordinary Shares if the price at which any such option or right is exercisable is lower than the Subscription Price for the time being;

- (d) subject as provided in paragraph 3(e) below, if at any time an offer is made to all holders of Ordinary Shares (or all such holders other than the offeror and/or any company controlled by the offeror and/or persons acting in concert with the offeror) to acquire the whole or any part of the issued share capital of the Company and the Company becomes aware on or before the Final Subscription Date that as a result of such offer the right to cast a majority of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror and/or such companies or persons as aforesaid, the Company shall give notice to the Subscription Shareholders of such vesting or pending vesting within 14 days of its becoming so aware, and each such Subscription Shareholder shall be entitled, at any time within the period of 30 days immediately following the date of such notice, to exercise their Subscription Rights on the terms (subject to any adjustments pursuant to paragraphs 2(a) to (d) and subject to paragraph 2(f) above) on which the same could have been exercised if they had been exercisable and had been exercised on the date on which the Company shall become aware as aforesaid. The publication of a scheme of arrangement under Part VIII of the Companies Law providing for the acquisition by any person of the whole or any part of the issued share capital of the Company shall be deemed to be the making of an offer for the purposes of this paragraph 3(d) and references herein to such an offer shall be read and construed accordingly;
- (e) if under any offer as referred to in paragraph 3(d) above the consideration shall consist solely of the issue of ordinary shares of the offeror and the offeror shall make available to Subscription Shareholders an offer of securities to subscribe for ordinary shares in the offeror in exchange for the Subscription Shares, which the independent financial advisers appointed by the Board shall consider to be fair and reasonable (having regard to the terms of the offer and any other circumstances which may appear to such independent financial advisers to be relevant), then a Subscription Shareholder shall not have the right to exercise their Subscription Rights on the basis referred to in paragraph 3(d) above and, subject to the offer referred to in paragraph 3(d) above becoming or being declared wholly unconditional and the offeror being in a position to acquire compulsorily the whole of the then issued share capital of the Company not already owned by it or its associates, any Director shall be irrevocably authorised as attorney for the holders of Subscription Shares who have not accepted the offer of Subscription Shares to subscribe for ordinary shares in the offeror in exchange for the relevant securities:
  - (i) to execute a transfer of the Subscription Shares held by such holders in favour of the offeror in respect of Subscription Shares which are in certificated form (or to take or procure the taking of such action as shall be required in accordance with and subject to the CREST Regulations and the facilities and requirements of the relevant system concerned, in respect of Subscription Shares which are in uncertificated form) in consideration of the issue of securities to subscribe for ordinary shares in the offeror as aforesaid whereupon all the Subscription Rights shall lapse; and
  - (ii) to do such acts and things as may be necessary or appropriate in connection therewith including to take account of the fact that Subscription Shares may be held in uncertificated form;
- (f) if:
  - (i) an order is made or an effective resolution is passed for winding up the Company (except for the purpose of reconstruction, amalgamation, merger or unitisation on terms sanctioned by an Extraordinary Resolution of the Subscription Shareholders); and
  - (ii) in such winding up and on the basis that all Subscription Rights then unexercised had been exercised in full and the Subscription Price in respect thereof at the relevant Subscription Date had been received in full by the Company there would be a surplus available for distribution amongst the holders of the Ordinary Shares, including for this

purpose the Ordinary Shares which would arise on exercise of all the Subscription Rights (taking into account any adjustments pursuant to paragraphs 2(a) to (d) and 2(g) above), which surplus would, on such basis, exceed in respect of each Ordinary Share a sum equal to such Subscription Price,

each Subscription Shareholder shall be treated as if immediately before the date of such order or resolution (as the case may be) his Subscription Rights had been exercisable and had been exercised in full on the terms (subject to any adjustments pursuant to paragraphs 2(a) to (d) and 2(g) above) on which the same could have been exercised if they had been exercisable and had been exercised in full but at any reduced Subscription Price immediately before the date of such order or resolution (as the case may be), and shall accordingly be entitled to receive out of the assets available in the liquidation *pari passu* with the holders of the Ordinary Shares such sum as they would have received had he been the holder of the Ordinary Shares to which he would have become entitled by virtue of such subscription after deducting a sum per Ordinary Share equal to the Subscription Price (subject to any adjustments pursuant to paragraphs 2(a) to (d) and 2(g) above). Subject to the foregoing, all Subscription Rights shall lapse on liquidation of the Company; and

- (g) notwithstanding paragraphs 3(a) to (f) above, the Company may, without the sanction of an Extraordinary Resolution of the Subscription Shareholders:
- (i) issue new Ordinary Shares at a price equal to or greater than Net Asset Value per Ordinary Share;
  - (ii) purchase any of its own share capital (whether by tender, by private treaty or through the market); and
  - (iii) hold its Ordinary Shares in treasury and sell any such Ordinary Shares held in treasury; and

nor will any such actions constitute a modification, alteration or abrogation of the rights attached to the Subscription Shares.

#### **4. Issue of C Shares**

- (a) Notwithstanding the provisions of paragraph 3 above, a Qualifying C Share Issue (as defined in paragraph 4(b) below) shall not constitute a modification, alteration or abrogation of the rights attached to the Subscription Shares (and shall not require the sanction of an Extraordinary Resolution of the Subscription Shareholders) even though it may involve modification of the rights attached to the existing Ordinary Shares or the creation or issue of a new class of equity share capital if the Directors are of the opinion (having regard to all the circumstances) that such issue should not have any material dilutive effect on the Net Asset Value per Ordinary Share.
- (b) For this purpose, a “**Qualifying C Share Issue**” means an issue by the Company of C Shares which will, within twelve calendar months of the date of issue thereof, be converted into Ordinary Shares ranking *pari passu* in all respects with the Ordinary Shares then in issue (other than, if the case requires, as regards dividends or distributions declared, paid or made in respect of the financial year in which the conversion takes place) and may include the issue in connection therewith of Subscription Shares (whether on the same terms and conditions as the Subscription Shares or otherwise) and any matters reasonably incidental to the process by which such Shares are converted into Ordinary Shares, including but not limited to the creation, issue, sub-division, consolidation, redesignation, purchase, redemption or cancellation of any share capital of the Company, including share capital with preferred or deferred rights.

#### **5. Modification of Rights**

All or any of the rights for the time being attached to the Subscription Shares may from time to time (whether or not the Company is being wound up) be altered or abrogated with the consent in writing from the holders of not less than seventy-five per cent. in value of the issued Subscription Shares or the sanction of a special resolution of the Subscription Shareholders passed at a separate class meeting.

## 6. Purchase

The Company shall, subject to the requirements of the Companies Law have the right to purchase Subscription Shares in the market, by tender or by private treaty, but:

- (a) such purchases will be limited to the maximum price payable per Subscription Share as specified in the Listing Rules from time to time applicable to equity securities; and
- (b) if such purchases are by tender, such tender will be available to all Subscription Shareholders alike.

All Subscription Shares so purchased shall forthwith be cancelled and shall not be available for reissue or resale.

## 7. Transfer

Each Subscription Share will be in registered form and will be transferable:

- (a) in the case of Subscription Shares held in certificated form, by an instrument of transfer in any usual or common form, or in any other form which may be approved by the Directors; and
- (b) in the case of Subscription Shares held in uncertificated form, by giving the appropriate instructions for transfer by means of the Relevant Electronic System.

No transfer of a fraction of a Subscription Share may be effected.

## 8. General

- (a) The Company will, concurrently with the issue of the same to the holders of the Ordinary Shares, send to each Subscription Shareholder (or, in the case of joint holders, to the first named) a copy of each published annual report and accounts of the Company (or such abbreviated or summary financial statements sent to holders of Ordinary Shares in lieu thereof), together with all documents required by law to be annexed thereto, and a copy of every other statement, notice or circular issued by the Company to holders of Ordinary Shares.
- (b) For the purposes of the relevant Articles, “**Extraordinary Resolution of the Subscription Shareholders**” means a resolution proposed at a meeting of the Subscription Shareholders duly convened and quorate and passed by a majority consisting of not less than seventy-five per cent. of the votes cast, whether on a show of hands or on a poll.
- (c) Subject as provided in paragraph 7 above, the provisions of the Articles relating to notice of meetings, untraced members, lost certificates and the registration, transfer and transmission of Ordinary Shares shall, *mutatis mutandis*, apply to the Subscription Shares as if they were Ordinary Shares.
- (d) Any determination or adjustment made pursuant to these terms and conditions by the independent financial advisers appointed by the Board shall be made by them as experts and not as arbitrators and any such determination or adjustment made by them shall be final and binding on the Company and each of the Subscription Shareholders.
- (e) Any references in these particulars to a statutory provision shall include that provision as from time to time modified or re-enacted.
- (f) Subject to paragraph 3(f) above, Subscription Shares carry no right to any dividend or distribution by the Company and (save to the extent that the Directors elect in connection with an exercise of Subscription Rights as provided in paragraph 8(k) below) no right to be redeemed (although the Company may elect to purchase Subscription Shares pursuant to paragraph 6 above). Subscription Shareholders are not entitled to attend or vote at meetings of Shareholders and, save as provided in paragraph 3(f) above, have no right to share in any surplus in the event of liquidation.
- (g) If, immediately after any Subscription Date (other than the Final Subscription Date) and after taking account of any Subscription Rights exercised on that date, Subscription Rights shall have been exercised or cancelled in respect of 75 per cent. or more of the Subscription Shares originally issued (subject to the adjustment of the number of Subscription Shares in accordance with paragraph 2 of this Part 9 (excluding any Ordinary Shares to which

Subscription Rights attached to Subscription Shares purchased by the Company or any of its subsidiaries relate but including any further Subscription Shares issued in accordance with the Articles)), the Company shall be entitled at any time within the next following 14 days to serve notice in writing on the holders of the Subscription Shares then outstanding of its intention to appoint a trustee for the purposes set out in this paragraph 8(g) (the “**Early Subscription Trustee**”) upon the expiry of 21 days from the exercise of such notice (the “**Notice Period**”) and for this purpose the Notice Period shall expire at 3.00 p.m. on the 21st day from the date of such notice. Such notice shall set out the Final Subscription Date and will include all necessary details and instructions to enable the exercise of the Subscription Rights. Forthwith after the expiry of the Notice Period, the Company shall appoint the Early Subscription Trustee who, provided that in such trustee’s opinion the net proceeds of sale after deduction of all costs and expenses incurred by, and any fee payable to, such trustee will exceed the costs of exercising the Subscription Rights, shall within the period of 14 days following the expiry of the Notice Period either:

- (i) exercise all the Subscription Rights (or such proportion as it may in its absolute direction determine) which shall not have been exercised on the terms on which the same could have been exercised immediately prior to the expiry of the Notice Period and sell in the market the Ordinary Shares resulting from such exercise; or
- (ii) (if it appears to the Early Subscription Trustee that doing so is likely to realise greater net proceeds for Subscription Shareholders) accept any offer available to Subscription Shareholders for the purchase of the outstanding Subscription Shares (or such proportion of such Subscription Shares as the Early Subscription Trustee may in its absolute direction determine).

The Early Subscription Trustee shall distribute *pro rata* the proceeds of any such sale or acceptance of any such offer less, in either case, such costs of exercising the Subscription Rights and such other fees, costs and expenses to the persons entitled thereto (being, regardless of whether the Early Subscription Trustee has exercised all or only a proportion of unexercised Subscription Rights or has accepted any offer for the purchase of all or only a proportion of the issued Subscription Shares, all holders of the Subscription Shares in issue immediately prior to such exercise or acceptance) at the risk of such persons as soon as practicable and in any event within 28 days after the expiry of the Notice Period, provided that entitlements of under £5.00 per Subscription Shareholder shall be retained for the benefit of the Company. Following the expiry of the Notice Period, if the Early Subscription Trustee shall not exercise the Subscription Rights within the period of 14 days following such expiry as set out in this paragraph 8(g) (and such trustee’s decision in respect thereof shall, in the absence of unreasonableness, be final and binding on all holders of outstanding Subscription Shares), all Subscription Rights shall lapse. Where the Early Subscription Trustee exercises some but not all of such Subscription Rights or sells some but not all such Subscription Shares in accordance with this paragraph, any Subscription Rights which are not so exercised and all Subscription Rights attaching to Subscription Shares not so sold shall immediately lapse.

- (h) Within seven days following the Final Subscription Date the Company shall appoint a trustee (the “**Final Subscription Trustee**”) who, provided that in such trustee’s opinion the net proceeds of sale after deduction of all costs and expenses incurred by, and any fee payable to, such trustee will exceed the costs of exercising the Subscription Rights, shall within the period of 14 days following the appointment of the Final Subscription Trustee, either:
  - (i) exercise all the Subscription Rights (or such proportion as it may in its absolute direction determine) which shall not have been exercised on the terms on which the same could have been exercised on the Final Subscription Date and sell in the market the Ordinary Shares resulting from such exercise; or
  - (ii) (if it appears to the Final Subscription Trustee that doing so is likely to realise greater net proceeds for Subscription Shareholders) accept any offer available to Subscription Shareholders for the purchase of the outstanding Subscription Shares (or such proportion of such Subscription Shares as the Final Subscription Trustee may in its absolute direction determine).

The Final Subscription Trustee shall distribute *pro rata* the proceeds of any such sale or acceptance of any such offer less, in either case, such costs of exercising the Subscription Rights and such other fees, costs and expenses to the persons entitled thereto (being, regardless of whether the Final Subscription Trustee has exercised all or only a proportion of unexercised Subscription Rights or has accepted any offer for the purchase of all or only a proportion of the issued Subscription Shares, all holders of the Subscription Shares in issue immediately prior to such exercise or acceptance) at the risk of such persons within 56 days of the Final Subscription Date, provided that entitlements of under £5.00 per Subscription Shareholder shall be retained for the benefit of the Company. If the Final Subscription Trustee shall not exercise the Subscription Rights within the period of 14 days following its appointment as set out in this paragraph 8(h) (and such trustee's decision in respect thereof shall be final and binding on all holders of outstanding Subscription Shares), all Subscription Rights shall lapse. Where the Final Subscription Trustee exercises some but not all of such Subscription Rights or sells some but not all such Subscription Shares in accordance with this paragraph, any Subscription Rights which are not so exercised and all Subscription Rights attaching to Subscription Shares not so sold shall immediately lapse.

- (i) The Company shall, in its discretion, as an alternative to the procedures in paragraphs 8(g) or 8(h) above have the right to make a payment to the holder of each outstanding Subscription Share of an amount equal to the Board's best estimate of the amount which would be received by Subscription Shareholders were such procedures to be followed and upon making such payment the Subscription Rights shall lapse.
- (j) The Early Subscription Trustee or the Final Subscription Trustee (as appropriate) shall have no liability of any nature whatsoever where such trustee has acted honestly and reasonably and shall have no responsibility for the safe custody of, or to earn any interest on, any unpaid or unclaimed money.
- (k) The Company shall give effect to Subscription Rights in accordance with this paragraph 8(k) or in such other manner as may be authorised by law. For the purposes of this paragraph 8(k) the "**Relevant Shares**" shall mean those Subscription Shares in respect of which Subscription Rights are exercised.
  - (i) To enable such subscription to be effected, the Directors may determine to redeem the Relevant Shares on any Subscription Date for nil value. In the event that the Directors determine to redeem the same, a Relevant Share shall confer upon the holder thereof the right to subscribe for, and shall authorise the secretary of the Company (or any other person appointed for the purpose by the Directors) to subscribe as agent on such holder's behalf for, one Ordinary Share at the Subscription Price.
  - (ii) In relation to any Relevant Shares that are to be redeemed in accordance with paragraph 8(k)(i) above and that are, on any Subscription Date, in uncertificated form, the Directors shall be entitled in their absolute discretion to determine the procedures for the redemption of such Relevant Shares (subject always to the facilities and requirements of the Relevant Electronic System). Without prejudice to the generality of the foregoing, the procedures for the redemption of any such Relevant Shares may involve or include the sending by the Company or by any person on its behalf of an issuer instruction to the operator of Relevant Electronic System requesting or requiring the deletion of any computer based entries in the relevant system concerned that relate to the holding of the Relevant Shares concerned, and/or the Company may, if the Directors so determine (by notice in writing to the holder concerned), require the holder of the Relevant Shares concerned to change the form of the Relevant Shares from uncertificated form to certificated form prior to the relevant Subscription Date.
  - (iii) Where the Subscription Rights attaching to any Subscription Shares have lapsed in accordance with the provisions of the Articles, such Subscription Shares will be redeemed for nil value.
- (l) The Directors may make such arrangements or regulations (if any) as they may from time to time in their absolute discretion think fit in relation to the evidencing, issue, conversion and transfer of uncertificated Subscription Shares, the payment of any monies in respect of uncertificated Subscription Shares and otherwise for the purpose of implementing and/or

supplementing the provisions of the Articles and the CREST Regulations and the facilities and requirements of the relevant system concerned; and such arrangements and regulations (as the case may be) shall have the same effect as if set out in the Articles.

## 9. Representations and warranties

Each holder of Subscription Shares (subject to certain exceptions) will, unless otherwise agreed by the Company, be required, prior to exercising Subscription Rights and receiving Ordinary Shares, to represent, warrant, agree and acknowledge in the Certificated Subscription Notice or Supplementary Subscription Notice (as the case may be), as follows:

- (a) He/she/it is not a US Person, is not located within the United States and is not accepting the Ordinary Shares issued upon exercise of the Subscription Rights for the account or benefit of a US Person.
- (b) He/she/it is accepting and/or acquiring the Ordinary Shares issued upon exercise of the Subscription Rights in an offshore transaction meeting the requirements of Regulation S.
- (c) He/she/it is not accepting and/or acquiring the Ordinary Shares issued upon exercise of the Subscription Rights with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of such Ordinary Shares issued upon exercise of the Subscription Rights into or within the United States.
- (d) He/she/it is aware that the Subscription Shares, the Subscription Rights and the Ordinary Shares issued upon exercise of the Subscription Rights have not been and will not be registered under the Securities Act 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 registration under the U.S. Securities Act.
- (e) He/she/it is aware that the Company has not been registered under the U.S. Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act.
- (f) No portion of the assets used by such investor to purchase, and no portion of the assets used by such investor to hold, the Subscription Shares and the Ordinary Shares or any beneficial interest therein constitutes or will constitute the assets of (i) an "employee benefit plan" as defined in Section 3(3) of US Employee Retirement Income Security Act of 1976, as amended ("**ERISA**") (whether or not subject to the provisions of Title I of ERISA, but excluding plans maintained outside the US that are described in Section 4(b)(4) of ERISA); (ii) a plan, individual retirement account or other arrangement that is described in Section 4975 of the US Internal Revenue Code of 1986, as amended (the "**US Tax Code**"), whether or not such plan, account or arrangement is subject to Section 4975 of the US Tax Code; (iii) an insurance company using general account assets, if such general account assets are deemed to include assets of any of the foregoing types of plans, accounts or arrangements for purposes of Title I of ERISA or Section 4975 of the US Tax Code; or (iv) 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 US Tax Code.
- (g) If in the future he/she/it decides to offer, sell, transfer, assign or otherwise dispose of the Subscription Shares or the Ordinary Shares, he/she/it will do so only under circumstances which will not require the Company to register under the U.S. Investment Company Act and, in particular, he/she/it will offer, sell, transfer, assign or otherwise dispose of such Subscription Shares or Ordinary Shares only in an offshore transaction to a person not known to be a US Person or to the Company or an affiliate of the Company.
- (h) He/she/it is not accepting and/or acquiring any Subscription Shares, Subscription Rights or Ordinary Shares issued upon exercise of the Subscription Rights from within any Restricted Territory and his/her/its acceptance of such Subscription Shares, Subscription Rights and Ordinary Shares will not result in the contravention of any applicable legal requirement in any jurisdiction.

## PART 10

### GLOSSARY OF RELEVANT TERMS

Set out below is an explanation of some of the industry-specific terms which are used in this document:

<b>2G</b>	the second generation of broadband cellular network technology
<b>3G</b>	the third generation of wireless mobile telecommunications technology. It is the upgrade for 2.5G and 2.5G GPRS networks, for faster data transfer
<b>4G</b>	the fourth generation of broadband cellular network technology, succeeding 3G
<b>5G</b>	the fifth generation technology standard for broadband cellular networks, which cellular phone companies began deploying worldwide in 2019, and is the planned successor to the 4G networks
<b>6G</b>	6G will be the sixth generation standard for wireless communications technologies supporting cellular data networks and is the planned successor to 5G
<b>cloud</b>	<p>cloud computing is the on-demand availability of computer system resources, especially data storage (cloud storage) and computing power, without direct active management by the user. The term is generally used to describe data centres available to many users over the Internet. Large clouds, predominant today, often have functions distributed over multiple locations from central servers. If the connection to the user is relatively close, it may be designated an edge server. Cloud computing has three deployment models, private, public and hybrid.</p> <p>Private cloud is cloud infrastructure operated solely for a single organisation, whether managed internally or by a third party, and hosted either internally or externally.</p> <p>Cloud services are considered “public” when they are delivered over the public Internet, and they may be offered as a paid subscription, or free of charge.</p> <p>Hybrid cloud is a composition of a public cloud and a private environment, such as a private cloud or on-premises resources, that remain distinct entities but are bound together, offering the benefits of multiple deployment models. Hybrid cloud can also mean the ability to connect colocation, managed and/or dedicated services with cloud resources</p>
<b>colocation</b>	colocation has two commonly used definitions. In relation to data centres, a colocation facility is a data centre facility in which a business can rent space in a shared facility for servers and other computing hardware. Typically, a colocation provides the building, cooling, power, bandwidth and physical security while the customer provides servers and/or other computer storage devices. In relation to mobile telecommunications/broadcast towers. Colocation refers to having more than one telecommunications operator (or other customer, such as law enforcement agencies) renting space on the same tower
<b>Construction Phase</b>	in respect of a new Digital Infrastructure development project, the phase where contracts have been agreed and relevant permits are in place

<b>DAS</b>	<p>a distributed antenna system (DAS) is a network of antennas, connected to a common source, distributed throughout a building or an area to improve network performance. The spacing between antennas is such that each antenna gives full coverage without overlapping with other antennas, hence reducing the number of antennas needed to cover the whole building. This network of antennas is also power efficient in comparison to a single, larger antenna covering a wide area.</p> <p>A distributed antenna system can be designed for use indoors or outdoors and can be used to provide wireless coverage in hotels, subways, airports, hospitals, businesses, roadway tunnels etc. The wireless services typically provided by a DAS include voice and data communications. The operators of in-building DAS could be a telecommunications carrier, a tenant or the owner of the building. A sports stadium could also install a network of this type. Police, fire, and emergency services may also operate DAS</p>
<b>Development Phase</b>	in respect of a new Digital Infrastructure development project, the initial phase before relevant contracts or permits are in place
<b>edge data centres</b>	for purposes of the Company's investment strategy, edge data centres are defined as smaller facilities located close to the populations they serve that deliver cloud computing resources and cached content to end users. By processing data and services as close to the end user as possible, edge computing allows organisations to reduce latency and improve the customer experience
<b>ESG</b>	environmental, social and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors use to screen potential investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights
<b>fibre-optic network</b>	the medium and the technology associated with the transmission of information as light pulses along a glass or plastic strand or fibre. Fibre-optic network is used for long-distance and high-performance data networking and also commonly used in telecommunication services such as Internet, television and telephones. Fibre-optic networks consist of four main parts, subsea cables, cross boarder-national hubs, metro-local loops and last mile/access
<b>hyperscale</b>	a hyperscale data centre typically refers to a large facility operated by one of the approximately two dozen global "hyperscalers", usually under a single tenant lease. Hyperscalers include the leading cloud computing platforms, so-called over-the-top entertainment services, e-commerce platforms and software/software-as-a-service companies
<b>managed services</b>	when a company outsources certain information technology functions to a third-party provider, referred to as a Managed Service Provider or MSP. These outsourced functions may be as basic as keeping information technology equipment and other services functional all the way up to full information technology team outsourcing. Based on the service level agreement, the service provider is generally responsible for the:

- upkeep and maintenance of all hardware and network equipment and services;
- installation, upgrade and patching of operating systems and other system-level software;
- storage and backup maintenance; and/or
- fault tolerance and infrastructure redundancy in case of disaster or other disrupting events

**MNO**

mobile network operator

**mobile telecommunications/  
broadcast tower, tower or base  
station**

a cellular-enabled mobile device site where antennas and electronic communications equipment are placed (typically on a radio mast, tower, or other raised structure) to create a cell (or adjacent cells) in a cellular network. The raised structure typically supports antenna and one or more sets of transmitter/receivers transceivers, digital signal processors, control electronics, a GPS receiver for timing, primary and backup electrical power sources, and sheltering

**network neutral**

a term signifying shared infrastructure or infrastructure that can be leased by one or more providers of communications services

**Node B**

Node B is the telecommunications node in particular mobile communication networks, namely those that adhere to the UMTS standard. The Node B provides the connection between mobile phones and the wider telephone network. UMTS is the dominating 3G standard

## PART 11

### DEFINITIONS

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

<b>Administration and Company Secretarial Services Agreement</b>	the Administration and Company Secretarial Services Agreement between the Company and the Administrator, a summary of which is set out in paragraph 6.3 of Part 8 of this document
<b>Administrator or Company Secretary</b>	Ocorian Administration (Guernsey) Limited
<b>Admission</b>	any admission of Ordinary Shares and/or C Shares pursuant to a Subsequent Placing to trading on the Specialist Fund Segment of the Main Market becoming effective in accordance with the Admission and Disclosure Standards
<b>Admission and Disclosure Standards</b>	the Admission and Disclosure Standards published by the London Stock Exchange as amended from time to time
<b>affiliate</b>	an affiliate of, or person affiliated with, a specified person being a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person concerned
<b>AIC</b>	the Association of Investment Companies
<b>AIC Code</b>	the AIC Code of Corporate Governance published by the AIC from time to time
<b>AML Legislation</b>	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 Business on Countering Financial Crime and Terrorist Financing (as amended, supplemented and/or replaced from time to time), together with any applicable legislation in the UK, including but not limited to, the Proceeds of Crime Act 2002 (as amended) and the UK Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as amended from time to time together with any subordinate legislation, regulations or guidance notes pursuant thereto
<b>Application Form</b>	the application form attached to this document for use in connection with the Offer for Subscription
<b>Articles</b>	the articles of incorporation of the Company
<b>Audit Committee</b>	the audit committee of the Board
<b>Auditor</b>	BDO Limited
<b>Benefit Plan Investor</b>	(i) an employee benefit plan that is subject to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA (including, as applicable, assets of an insurance company general account) or a plan that is subject to the prohibited transaction provisions of section 4975 of the U.S. Tax Code (including an individual retirement account), (ii) an entity whose underlying assets include "plan assets" by reason of a Plan's investment in the entity, or (iii) any "benefit plan investor" as otherwise defined in section 3(42) of ERISA or regulations promulgated by the U.S. Department of Labor
<b>Board</b>	the board of Directors of the Company or any duly constituted committee thereof

<b>Business Day</b>	any day which is not a Saturday or Sunday or a bank holiday in the City of London or Guernsey
<b>C Shares</b>	C shares of no par value each in the capital of the Company and “ <b>C Share</b> ” shall be construed accordingly
<b>Capital gains tax or CGT</b>	UK taxation of capital gains or corporation tax on chargeable gains, as the context may require
<b>CDIM</b>	Cordiant Digital Infrastructure Management LLP, a member of the Cordiant Group and the recipient of the fees payable under the Investment Management Agreement
<b>certificated or in certificated form</b>	not in uncertificated form
<b>Certificated Subscription Notice</b>	has the meaning given to it in paragraph 1(d) of Part 9 of this document
<b>Code</b>	the GFSC’s Financial Sector Code of Corporate Governance
<b>Companies Law</b>	the Companies (Guernsey) Law, 2008, as amended
<b>Company</b>	Cordiant Digital Infrastructure Limited
<b>Conversion</b>	the conversion of C Shares into Ordinary Shares and deferred shares in accordance with the Articles and as described in paragraph 4.19 of Part 8 of this document
<b>Cordiant Group</b>	the Investment Manager and the other entities in its corporate group
<b>CREST</b>	the computerised settlement system operated by Euroclear which facilitates the transfer of title to shares in uncertificated form
<b>CREST Regulations</b>	the Uncertificated Securities (Guernsey) Regulations 2009 (SI 2009 No. 48) as amended from time to time
<b>CRS</b>	Common Reporting Standards
<b>CTA 2009</b>	Corporation Tax Act 2009 and any statutory modification or re-enactment thereof for the time being in force
<b>CTA 2010</b>	Corporation Tax Act 2010 and any statutory modification or re-enactment thereof for the time being in force
<b>Directors</b>	the directors from time to time of the Company and “ <b>Director</b> ” is to be construed accordingly
<b>Digital Infrastructure or Digital Infrastructure Assets</b>	physical infrastructure resources that are necessary to enable the storage and transmission of data by telecommunications operators, corporations, governments and individuals. These predominantly consist of mobile telecommunications/broadcast towers, data centres, fibre optic networks, in-building systems and, as appropriate, the land under such infrastructure. Digital infrastructure assets do not include switching and routing equipment, servers and other storage devices or radio transmission equipment or software
<b>Digital Infrastructure Investment Team</b>	the Investment Manager’s Digital Infrastructure investment team details of which, as at the date of this document, are set out in Part 4 of this document
<b>Disclosure Guidance and Transparency Rules</b>	the disclosure guidance published by the Financial Conduct Authority and the transparency rules made by the Financial Conduct Authority under section 73A of FSMA, as amended from time to time

<b>DP Legislation</b>	the laws which govern the handling of personal data, including but not limited to, the Data Protection (Bailiwick of Guernsey) Law, 2017 and any other legislation in Guernsey concerning data protection, the General Data Protection Regulation (EU) 2016/679 and any other applicable laws implementing that regulation or related to data protection
<b>DVP</b>	delivery versus payment
<b>Early Subscription Trustee</b>	has the meaning given to it in paragraph 8(g) of Part 9 of this document
<b>EBITDA</b>	earnings before interest, taxation, depreciation and amortisation
<b>EEA</b>	European Economic Area
<b>EEA Prospectus Regulation</b>	Regulation (EU) No. 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market
<b>ERISA</b>	U.S. Employee Retirement Income Security Act of 1974, as amended
<b>Euro or €</b>	the currency adopted by those nations participating in the third stage of the economic and monetary union provisions of the Treaty on European Union, signed at Maastricht on 7 February 1992
<b>Euroclear</b>	Euroclear UK & Ireland Limited, being the operator of CREST
<b>European Union or EU</b>	the European Union first established by the treaty made at Maastricht on 7 February 1992
<b>EU AIFM Directive</b>	Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers, as amended from time to time
<b>Extraordinary Resolution of the Subscription Shareholders</b>	has the meaning given to it in paragraph 8(b) of Part 9 of this document
<b>EV</b>	enterprise value
<b>FATCA</b>	Sections 1471 to 1474 of the U.S. Tax Code, known as the U.S. Foreign Account Tax Compliance Act (together with any regulations, rules and other guidance implementing such U.S. Tax Code sections and any applicable IGA or information exchange agreement and related statutes, regulations, rules and other guidance thereunder)
<b>FCA</b>	the Financial Conduct Authority or any successor authority
<b>FCA Handbook</b>	the FCA handbook of rules and guidance as amended from time to time
<b>Final Subscription Date</b>	has the meaning given to it in paragraph 1(a) of Part 9 of this document
<b>Final Subscription Trustee</b>	has the meaning given to it in paragraph 8(h) of Part 9 of this document
<b>FSMA</b>	the Financial Services and Markets Act 2000 and any statutory modification or re-enactment thereof for the time being in force
<b>GFSC</b>	the Guernsey Financial Services Commission
<b>Gross Asset Value</b>	the aggregate value of the total assets of the Company as determined with the accounting principles adopted by the Company from time to time
<b>Group</b>	the Company and any other companies in the Company's group for the purposes of Section 606 of CTA 2010 from time to time

<b>Headline Subscription Price</b>	has the meaning given to it in paragraph 1(a) of Part 9 of this document
<b>HMRC</b>	Her Majesty's Revenue and Customs
<b>IFRS</b>	international financial reporting standards
<b>IGA</b>	intergovernmental agreement
<b>Initial Admission</b>	admission of the Ordinary Shares and Subscription Shares issued pursuant to the Initial Issue to trading on the Specialist Fund Segment of the Main Market becoming effective in accordance with the Admission and Disclosure Standards
<b>Initial Expenses</b>	the commissions, costs and expenses of the Company that are necessary for the establishment of the Company, the Initial Issue and Initial Admission
<b>Initial Gross Proceeds</b>	the gross proceeds of the Initial Issue
<b>Initial Issue</b>	together the Initial Placing, the Offer for Subscription and the Subscription Share Issue
<b>Initial Net Proceeds</b>	the proceeds of the Initial Issue after deduction of the Initial Expenses
<b>Initial Placing</b>	the conditional placing of Ordinary Shares at the Issue Price pursuant to the Initial Issue as described in this document
<b>Investec</b>	Investec Bank plc
<b>Investee Company</b>	an underlying company or corporate vehicle owning and operating one or more Digital Infrastructure Assets in which the Company invests
<b>Investment Management Agreement</b>	the investment management agreement between the Company, the Investment Manager and CDIM, a summary of which is set out in paragraph 6.2 of Part 8 of this document
<b>Investment Manager</b>	Cordiant Capital Inc.
<b>IPEV</b>	International Private Equity and Venture Capital Guidelines
<b>IRR</b>	internal rate of return
<b>IRS</b>	the U.S. Internal Revenue Service
<b>ISA</b>	an individual savings account maintained in accordance with the UK Individual Savings Account Regulations 1998 (as amended from time to time)
<b>ISIN</b>	International Securities Identification Number
<b>Issue Price</b>	100 pence per Ordinary Share
<b>Key Information Document(s)</b>	the key information document(s) relating to the Ordinary Shares, the Subscription Shares and/or C Shares issued by the Company from time to time (as the context requires), produced pursuant to the PRIIPs Regulation, as amended and updated from time to time
<b>Key Person Event</b>	<p>an event where two or more Key Persons (provided that at least one of such Key Persons must be either Steven Marshall or Benn Mikula (or such other person as may have been approved as a replacement for them)) either:</p> <p>(A) cease to be an officer, member, employee or director of the Investment Manager; or</p> <p>(B) cease to be actively engaged in the performance of the delegated obligations of the Investment Manager under the Investment Management Agreement; or</p>

(C) cease to devote sufficient time to the affairs of the Investment Manager and its affiliates to ensure that the Investment Manager can, in the reasonable opinion of the Board, at all times perform its obligations under the Investment Management Agreement to the services standard as set out in the Investment Management Agreement

<b>Key Persons</b>	Steven Marshall, Benn Mikula, Hagai Shilo and David Kippen (or such other person(s) as may be approved as a replacement by the Board from time to time) and references to “ <b>Key Person</b> ” shall be construed accordingly
<b>LEI</b>	Legal Entity Identifier
<b>Listing Rules</b>	the listing rules made by the FCA under section 73A of FSMA, as amended from time to time
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>Main Market</b>	the London Stock Exchange’s main market for listed securities
<b>Management Engagement Committee</b>	the management engagement committee of the Board
<b>Market Abuse Regulation or MAR</b>	the UK version of Regulation (EU) No 596/2014 of the European Parliament and of the Council on 16 April 2014 on market abuse, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018
<b>MiFID II</b>	the UK version of Directive 2014/65/EU on markets in financial instruments, Regulation (EU) No. 600/2014 on markets in financial instruments, and any secondary legislation, rules, regulations and procedures made pursuant thereto up to 31 December 2019, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended
<b>Minimum Gross Proceeds</b>	the minimum gross proceeds of the Initial Issue, being £150 million
<b>Minimum Net Proceeds</b>	the Minimum Gross Proceeds less the Initial Expenses
<b>Money Laundering Directive</b>	the Council Directive on prevention of the use of the financial system for the purposes of money laundering or terrorist financing (EU/2015/849) as amended by the Money Laundering Directive (EU) 2018/843 of the European Parliament and of the Council of the Europe Union of 9 July 2018 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing
<b>Money Laundering Regulations</b>	the UK Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, as amended from time to time
<b>MW</b>	megawatt
<b>NAV Total Return</b>	together Net Asset Value growth and distributions
<b>Net Asset Value</b>	the value, as at any date, of the assets of the Company after deduction of all liabilities determined in accordance with the accounting policies adopted by the Company from time-to-time
<b>Net Asset Value per C Share</b>	at any time, the Net Asset Value attributable to the C Shares of the relevant class divided by the number of C Shares of the relevant class in issue (other than C Shares held in treasury) as at the date of calculation

<b>Net Asset Value per Ordinary Share</b>	at any time, the Net Asset Value attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) as at the date of calculation
<b>Net Proceeds</b>	the proceeds of a Subsequent Placing after deduction of the costs and expenses of such Subsequent Placing
<b>Nomination Committee</b>	the nomination committee of the Board
<b>Notice Period</b>	has the meaning given to it in paragraph 8(g) of Part 9 of this document
<b>NURS</b>	Non-UCITS Retail Scheme
<b>Offer for Subscription</b>	the offer for subscription of Ordinary Shares at the Issue Price on the terms set out in this document
<b>Official List</b>	the official list maintained by the FCA pursuant to Part VI of FSMA
<b>Ongoing Charges Ratio</b>	the annual percentage reduction in shareholder returns because of recurring operational expenses assuming markets remain static and the portfolio is not traded (calculated according to the AIC's ongoing charges calculation)
<b>Ordinary Shares</b>	ordinary shares of no par value each in the capital of the Company and " <b>Ordinary Share</b> " shall be construed accordingly
<b>Overseas Persons</b>	a potential investor who is not resident in, or who is not a citizen of, the UK
<b>Permitted US Person</b>	a person that has provided a certificate to the Company and has represented and warranted to the Company (to the satisfaction of the Company at its sole discretion) that it is both a qualified institutional buyer (as defined in Rule 144A under the U.S. Securities Act) and a qualified purchaser (as defined in Section 2(a)(51) of the U.S. Investment Company Act) and has undertaken to comply with certain transfer restrictions in relation to the Subscription Shares and Ordinary Shares as required by the Company
<b>Placee</b>	any person who agrees to subscribe for Shares pursuant to the Initial Placing or any Subsequent Placing
<b>Placing and Offer Agreement</b>	the conditional placing and offer agreement between the Company, the Directors, the Investment Manager, and Investec, a summary of which is set out in paragraph 6.1 of Part 8 of this document
<b>Placing Programme</b>	the proposed placing programme of Ordinary Shares and/or C Shares incorporating any Subsequent Placing as described in this document
<b>Placing Programme Price</b>	the price at which Ordinary Shares and/or C Shares will be issued to Placees pursuant to a Subsequent Placing under the Placing Programme, as set out in Part 6 of this document
<b>Plan Asset Regulations</b>	the U.S. Department of Labor Regulations, 29 C.F.R. 2510.3-101, as and to the extent modified by section 3(42) of ERISA
<b>Platform</b>	an identified synergistic group of Digital Infrastructure Assets within the Company's portfolio from time to time
<b>POI Law</b>	the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended
<b>PRIIPs Regulation</b>	the UK version of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based

	investment products and its implementing and delegated acts, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended by The Packaged Retail and Insurance-based Investment Products (Amendment) (EU Exit) Regulations 2019
<b>Prospectus Regulation</b>	the UK version of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended by The Prospectus (Amendment, etc) (EU Exit) Regulations 2019
<b>Prospectus Regulation Rules</b>	the prospectus regulation rules made by the FCA under section 73A of FSMA, as amended from time to time
<b>Qualifying C Share Issue</b>	has the meaning given to it in paragraph 4 of Part 9 of this document
<b>RCIS Rules</b>	the Registered Collective Investment Scheme Rules 2018
<b>Receiving Agent</b>	Computershare Investor Services PLC
<b>Receiving Agent Agreement</b>	the receiving agent agreement between the Company and the Receiving Agent, a summary of which is set out in paragraph 6.5 of Part 8 of this document
<b>Register</b>	the register of Shareholders of the Company
<b>Registrar or Computershare</b>	Computershare Investor Services (Guernsey) Limited
<b>Registrar Agreement</b>	the registrar agreement between the Company and the Registrar, a summary of which is set out in paragraph 6.4 of Part 8 of this document
<b>Regulation S</b>	Regulation S promulgated under the U.S. Securities Act, as amended from time to time
<b>Regulatory Information Service or RIS</b>	a service authorised by the FCA to release regulatory announcements to the London Stock Exchange
<b>Relevant Electronic System or Relevant System</b>	has the meaning given to it in paragraph 1(c) of Part 9 of this document
<b>Relevant Shares</b>	has the meaning given to it in paragraph 8(k) of Part 9 of this document
<b>Relevant State</b>	each member state of the EEA
<b>Restricted Person</b>	any citizen or resident of any Restricted Territory (other than a Permitted US Person)
<b>Restricted Territory</b>	each of Australia, Canada, Japan, New Zealand, the Republic of South Africa, the United States and any Relevant State (with the exception of the Republic of Ireland) and any jurisdiction in which the Subscription Share Issue may result in the contravention of any regulation or other legal requirement of such jurisdiction, and each a “Restricted Territory”
<b>Rights Offer</b>	has the meaning given to it in paragraph 2(b) of Part 9 of this document
<b>SEC</b>	the US Securities and Exchange Commission
<b>SEDOL</b>	the Stock Exchange Daily Official List
<b>Shares</b>	the Ordinary Shares, the Subscription Shares and/or the C Shares (as the context may require)

<b>Shareholder</b>	a holder of Shares
<b>SIPP</b>	a self-invested personal pension as defined in Regulation 3 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Permitted Investments) Regulations 2001 of the UK
<b>Specialist Fund Segment</b>	the Specialist Fund Segment of the Main Market
<b>SSAS</b>	a small self-administered scheme as defined in Regulation 2 of the Retirement Benefits Schemes (Restriction on Discretion to Approve) (Small Self-Administered Schemes) Regulations 1991 of the UK
<b>Sterling or GBP or £ or pence</b>	the lawful currency of the United Kingdom
<b>Subscription Date</b>	has the meaning given to it in paragraph 1(a) of Part 9 of this document
<b>Subscription Price</b>	has the meaning given to it in paragraph 1(a) of Part 9 of this document
<b>Subscription Right</b>	has the meaning given to it in paragraph 1(a) of Part 9 of this document
<b>Subscription Shareholder</b>	has the meaning given to it in paragraph 1(a) of Part 9 of this document
<b>Subscription Share Issue</b>	the issue of Subscription Shares to Placees and subscribers in the Initial Issue on the basis of one Subscription Share for every eight Ordinary Shares subscribed for in the Initial Issue
<b>Subscription Shares</b>	redeemable subscription shares of no par value each in the Company issued pursuant to the Subscription Share Issue
<b>Subsequent Placing</b>	any placing of Shares pursuant to the Placing Programme described in this document
<b>Supplementary Subscription Notice</b>	has the meaning given to it in paragraph 1(e) of Part 9 of this document
<b>Takeover Code</b>	the City Code on Takeovers and Mergers, as amended from time to time
<b>Target Market Assessment</b>	has the meaning defined in the section entitled “Important Information” of this document
<b>Terms and Conditions of Application</b>	the terms and conditions to which subscriptions under the Offer for Subscription are subject as set out in Part 13 of this document
<b>UK AIFM Regime</b>	together, The Alternative Investment Fund Managers Regulations 2013 (as amended by The Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019) and the Investment Funds Sourcebook forming part of the FCA Handbook
<b>Uncertificated Subscription Notice</b>	has the meaning given to it in paragraph 1(e) of Part 9 of this document
<b>USE</b>	has the meaning given to it in paragraph 1(e) of Part 9 of this document
<b>U.S. Exchange Act</b>	the United States Securities Exchange Act 1934, as amended from time to time
<b>U.S. Investment Company Act</b>	U.S. Investment Company Act of 1940, as amended from time to time
<b>U.S. Person</b>	any person who is a U.S. person within the meaning of Regulation S adopted under the U.S. Securities Act
<b>U.S. Securities Act</b>	U.S. Securities Act of 1933, as amended from time to time

<b>U.S. Tax Code</b>	the U.S. Internal Revenue Code of 1986, as amended from time to time
<b>UK Corporate Governance Code</b>	the UK Corporate Governance Code as published by the Financial Reporting Council from time-to-time
<b>uncertificated or in uncertificated form</b>	a share recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
<b>United Kingdom or UK</b>	the United Kingdom of Great Britain and Northern Ireland
<b>United States of America, United States or U.S.</b>	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
<b>US\$</b>	U.S. dollars, being the lawful currency of the United States of America
<b>VAT</b>	value added tax
<b>Volcker Rule</b>	Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and Regulation VV (12 C.F.R. Section 248) promulgated thereunder by the Board of Governors of the Federal Reserve System

## PART 12

### TERMS AND CONDITIONS OF THE INITIAL PLACING AND THE PLACING PROGRAMME

#### 1 INTRODUCTION

- 1.1 Each Placee which confirms its agreement (whether orally or in writing) to Investec to subscribe for Shares under the Initial Placing or any Subsequent Placing will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.2 Investec may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and may require any such Placee to execute a separate placing letter (a “**Placing Letter**”).

#### 2 AGREEMENT TO SUBSCRIBE FOR SHARES

- 2.1 Conditional on, amongst other things: (i) in respect of the Initial Placing only, Initial Admission occurring and becoming effective by 8.00 a.m. on or prior to 16 February 2021 (or such later time and/or date, not being later than 31 March 2021, as agreed by the Company, the Investment Manager and Investec); (ii) in respect of a Subsequent Placing only, Admission of the Shares issued pursuant to the relevant Subsequent Placing occurring and becoming effective by 8.00 a.m. on or prior to the date agreed by the Company, the Investment Manager and Investec in respect of that Subsequent Placing, not being later than 28 January 2022; (iii) in the case of the Initial Placing, the Minimum Gross Proceeds (being £150 million) (or such lesser amount as the Company, the Investment Manager and Investec may agree) being raised; (iv) the Placing and Offer Agreement becoming otherwise unconditional in all respects in respect of the Initial Placing or the relevant Subsequent Placing, as applicable, and not having been terminated on or before the date of the Initial Placing or the relevant Subsequent Placing; and (v) Investec confirming to the Placees their allocation of Shares, a Placee agrees to become a Shareholder of the Company and agrees to subscribe for those Shares allocated to it by Investec at the Issue Price or applicable Placing Programme Price (as the case may be) and, in relation to Ordinary Shares subscribed under the Initial Placing, agrees to receive, for nil value, Subscription Shares on the basis of one Subscription Share for every eight Ordinary Shares subscribed in the Initial Placing (rounded down to the nearest whole number of Subscription Shares). 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.
- 2.2 Applications under the Initial Placing and any Subsequent Placing must be for a minimum subscription amount of £1,000.
- 2.3 Any commitment to acquire Shares under the Initial Placing and/or any Subsequent Placing agreed orally or in writing (including by email) with Investec, as agent for the Company, will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and Investec, to subscribe for the number of Shares allocated to it and comprising its Placing Commitment at the Issue Price or the applicable Placing Programme Price (as the case may be) on the terms and subject to the conditions set out in this Part 12 and the contract note or oral or email placing confirmation as applicable (for the purpose of this Part 12, the “**Contract Note**” or the “**Placing Confirmation**”) and in accordance with the Articles. Except with the consent of Investec, such oral or written commitment will not be capable of variation or revocation after the time at which it is made.
- 2.4 Each Placee’s allocation of Shares under the Initial Placing and/or any Subsequent Placing will be evidenced by a Contract Note or Placing Confirmation confirming: (i) the number of Shares that such Placee has agreed to acquire; (ii) the aggregate amount that such Placee will be required to pay for such Shares; and (iii) settlement instructions to pay Investec, as agent for the Company. The provisions as set out in this Part 12 will be deemed to be incorporated into that Contract Note or Placing Confirmation.
- 2.5 If Initial Admission does not occur the Initial Placing will lapse and all proceeds will be returned to Placees without interest and at the Placee’s risk.

### **3 PAYMENT FOR SHARES**

- 3.1 Each Placee undertakes to pay the Issue Price or Placing Programme Price (as the case may be) for the Shares issued to the Placee in the manner and by the time directed by Investec. In the event of any failure by any Placee to pay as so directed and/or by the time required by Investec, the relevant Placee's application for Shares may, at the discretion of Investec, either be accepted or rejected and, in the former case, paragraph 3.2 below shall apply.
- 3.2 Each Placee is deemed to agree that if it does not comply with its obligation to pay the relevant Issue Price or Placing Programme Price (as the case may be) for the Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and Investec elects to accept that Placee's application, Investec may sell all or any of the Shares allocated to the Placee on such Placee's behalf and retain from the proceeds an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such Shares on such Placee's behalf.
- 3.3 Settlement of transactions in the Shares following Initial Admission will take place in CREST but Investec reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Placee (whether orally, in the Contract Note, Placing Confirmation or otherwise) or would not be consistent with the regulatory requirements in any Placee's jurisdiction.

### **4 REPRESENTATIONS AND WARRANTIES**

By agreeing to subscribe for Shares under the Initial Placing or a Subsequent Placing, each Placee which enters into a commitment to subscribe for Shares will (for itself and for any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be deemed to undertake, represent and warrant to each of the Company, the Investment Manager, Investec and the Registrar that:

- 4.1 in agreeing to subscribe for Shares under the Initial Placing or a Subsequent Placing, it is relying solely on this document and any supplementary prospectus issued by the Company prior to Initial Admission or any Admission of the relevant Shares issued pursuant to any Subsequent Placing and not on any other information given, or representation or statement made at any time by any person concerning the Company, the Shares, the Initial Placing or any Subsequent Placing, including without limitation, the Key Information Documents. It agrees that none of the Company, the Investment Manager, Investec 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;
- 4.2 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Shares under the Initial Placing or a Subsequent Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any such territory or jurisdiction and that it has not taken any action or omitted to take any action which will result in the Company, the Investment Manager, Investec or the Registrar 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 the United Kingdom in connection with the Initial Placing and/or Subsequent Placing;
- 4.3 it has carefully read and understands this document in its entirety and acknowledges that it is acquiring Shares on the terms and subject to the conditions set out in this Part 12 (and in the case of Subscription Shares on the basis of the terms and conditions set out in Part 12 of this document) and, as applicable, in the Contract Note or Placing Confirmation and the Articles as in force at the date of Initial Admission or the date of Admission in relation to the relevant Subsequent Placing (as the case may be);
- 4.4 the price payable per Share is payable to Investec on behalf of the Company in accordance with the terms of these terms and conditions and in the Contract Note or Placing Confirmation;

- 4.5 it has the funds available to pay in full for the Shares for which it has agreed to subscribe and it will pay the total subscription amount in accordance with the terms set out in these terms and conditions and as set out in the Contract Note or Placing Confirmation on the due time and date;
- 4.6 it has not relied on Investec or any person affiliated with Investec in connection with any investigation of the accuracy of any information contained in this document;
- 4.7 it acknowledges that the content of this document and any supplementary prospectus issued by the Company prior to Initial Admission or any Admission of the relevant Shares issued pursuant to any Subsequent Placing is exclusively the responsibility of the Company, the Directors and the Investment Manager, and neither Investec 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 such supplementary prospectus or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Initial Placing or any Subsequent Placing based on any information, representation or statement contained in this document, such supplementary prospectus or otherwise;
- 4.8 it acknowledges that no person is authorised in connection with the Initial Placing or any Subsequent Placing to give any information or make any representation other than as contained in this document and any supplementary prospectus issued by the Company prior to Initial Admission or any Admission of the relevant Shares issued pursuant to any Subsequent Placing and, if given or made, any information or representation must not be relied upon as having been authorised by Investec, the Company or the Investment Manager;
- 4.9 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;
- 4.10 its allocation of Shares under the Initial Placing or any Subsequent Placing will be evidenced by a Contract Note or Placing Confirmation, as applicable, confirming: (i) the number of Shares that such Placee has agreed to acquire; (ii) the aggregate amount that such Placee will be required to pay for such Shares; and (iii) the settlement instructions to pay Investec as agent for the Company. The terms of this Part 12 will be deemed to be incorporated into that Contract Note or Placing Confirmation;
- 4.11 settlement of transactions in the Shares following Initial Admission or any of the relevant Shares issued pursuant to any Subsequent Placing (as the case may be) will take place in CREST but Investec reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Placee (whether orally, in the Contract Note or Placing Confirmation, in the Placing Letter or otherwise) or would not be consistent with the regulatory requirements in any Placee's jurisdiction;
- 4.12 it accepts that none of the Shares have been or will be registered under the securities laws, or with any securities regulatory authority of, the United States, Australia, Canada, the Republic of South Africa or Japan (each a "**Restricted Jurisdiction**"). Accordingly, the Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Restricted Jurisdiction unless an exemption from any registration requirement is available;
- 4.13 if it is within the United Kingdom, it is (a) a person who falls within: (i) Articles 49(2)(A) to (D) or (ii) Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (the "**Order**") or is a person to whom the 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 Shares may be lawfully offered under that other jurisdiction's laws and regulations, (b) a qualified investor (as such term is defined in Article 2(e) of the Prospectus Regulation), and (c) a person to whom the Shares may lawfully be marketed under the UK AIFM Regime;

- 4.14 if it is resident in a Relevant State, it is, (a) a qualified investor within the meaning of Article 2(e) of the EEA Prospectus Regulation, and (b) it is a person to whom the Shares may lawfully be marketed under the EU AIFM Directive or under the applicable implementing legislation (if any) of such Relevant State;
- 4.15 if it is in Guernsey, it is a person licensed under any of the POI Law, or the Banking Supervision (Bailiwick of Guernsey) Law, 1994, or the Insurance Business (Bailiwick of Guernsey) Law, 2002, or the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 (and in each case any statutory modification or re-enactment thereof for the time being in force);
- 4.16 if it is a professional investor (as such term is given meaning in the EU AIFM Directive) resident, domiciled in, or with a registered office in the EEA, it confirms that the Shares have only been promoted, offered, placed or otherwise marketed to it, and the subscription will be made from, (a) a country outside the EEA; (b) a country in the EEA that has not transposed the EU AIFM Directive as at the date of the Placee's commitment to subscribe is made; or (c) a country in the EEA in respect of which the Investment Manager has confirmed that it has made a relevant national private placement regime notification and is lawfully able to market Shares into that EEA county;
- 4.17 in the case of any Shares acquired by an investor as a financial intermediary as that term is used in Article 5(2) of the Prospectus Regulation or the EEA Prospectus Regulation (as the case may be), (i) the Shares acquired by it in the Initial Placing or the relevant Subsequent Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant State other than qualified investors, as that term is defined in the Prospectus Regulation or the EEA Prospectus Regulation (as the case may be), or in circumstances in which the prior consent of Investec has been given to the offer or resale; or (ii) where Shares have been acquired by it on behalf of persons in any Relevant State other than qualified investors, the offer of those Shares to it is not treated under the EEA Prospectus Regulation as having been made to such persons;
- 4.18 it: (i) is entitled to subscribe for the Shares under the laws of all relevant jurisdictions; (ii) has fully observed the laws of all relevant jurisdictions; (iii) has the requisite capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Shares and will honour such obligations; and (iv) has obtained all necessary consents and authorities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;
- 4.19 it has not been engaged to acquire Shares on behalf of any other person who is not a Qualified Investor unless the terms on which it is engaged enable it to make decisions concerning the acceptance of offers of transferable securities on the client's behalf without reference to the client as described in section 86(2) of FSMA;
- 4.20 if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Initial Placing and/or any Subsequent Placing (for the purposes of this Part 12, each a "**Placing Document**") constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Shares pursuant to the Initial Placing or any Subsequent Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and 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;
- 4.21 it does not have a registered address in, and is not a citizen, resident or national of a Restricted Jurisdiction or any jurisdiction in which it is unlawful to make or accept an offer of the Shares and it is not acting on a non-discretionary basis for any such person;
- 4.22 if the investor is a natural person, such investor is not under the age of majority (18 years of age in the United Kingdom) on the date of such investor's agreement to subscribe for Shares under the Initial Placing or relevant Subsequent Placing (as the case may be);

- 4.23 it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and acknowledges and agrees that no Placing Document is being issued by Investec in its capacity as an authorised person under section 21 of FSMA and such documents may not therefore be subject to the controls which would apply if they were made or approved a financial promotion by an authorised person;
- 4.24 it is aware of and acknowledges that it is required to comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Shares in, from or otherwise involving, the United Kingdom;
- 4.25 it is aware of the provisions of the Criminal Justice Act 1993 regarding insider dealing, the Market Abuse Regulation and the Proceeds of Crime Act 2002 and in Guernsey under the Company Securities (Insider Dealing) (Bailiwick of Guernsey) Law, 1996 (as amended), Section 41A of the POI Law, and the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999, as amended and confirms that it has and will continue to comply with any obligations imposed by such statutes;
- 4.26 unless it is otherwise expressly agreed with the Company and Investec in the terms of the Initial Placing or any Subsequent Placing, it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other Placing Document to any persons within the United States or to any U.S. Persons, nor will it do any of the foregoing;
- 4.27 it represents, acknowledges and agrees to the representations, warranties and agreements as set out under the heading "United States Purchase and Transfer Restrictions" in paragraph 5 below;
- 4.28 no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the Shares or possession of this document (and any supplementary prospectus issued by the Company), in any country or jurisdiction where action for that purpose is required;
- 4.29 it acknowledges that neither Investec nor any of its affiliates nor any person acting on its or their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Initial Placing or any Subsequent Placing or providing any advice in relation to the Initial Placing or any Subsequent Placing and participation in the Initial Placing or any Subsequent Placing is on the basis that it is not and will not be a client of Investec and that Investec has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Initial Placing or any Subsequent Placing (as applicable);
- 4.30 that, save in the event of fraud on the part of Investec, none of Investec, its ultimate holding company nor any direct or indirect subsidiary undertaking of such holding company, 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 Investec's roles as financial adviser, sole bookrunner or global co-ordinator or otherwise in connection with the Initial Placing or any Subsequent Placing 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;
- 4.31 it acknowledges that where it is subscribing for Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the 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 relevant Subsequent Placing (as applicable) in the form provided by the Company and/or Investec (as the case may be). It agrees that the provision of this paragraph shall survive any resale of the Shares by or on behalf of any such account;

- 4.32 it irrevocably appoints any Director and any director of Investec to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Shares for which it has given a commitment under the Initial Placing or any Subsequent Placing (as applicable), in the event of its own failure to do so;
- 4.33 it accepts that if the Initial Placing or relevant Subsequent Placing does not proceed or the relevant conditions to the Placing and Offer Agreement are not satisfied as regards the relevant placing or the Shares for which valid applications are received and accepted are not admitted to trading on the Specialist Fund Segment for any reason whatsoever, then none of Investec, the Company or the Investment Manager, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- 4.34 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;
- 4.35 if it is acting as a “distributor” (for the purposes of Product Governance Requirements):
- 4.35.1 it acknowledges that the Target Market Assessment undertaken by the Investment Manager and Investec does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares and each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels;
- 4.35.2 notwithstanding any Target Market Assessment undertaken by the Investment Manager and Investec, it confirms that, other than where it is providing an execution-only service to investors, it has satisfied itself as to the appropriate knowledge, experience, financial situation, risk tolerance and objectives and needs of the investors to whom it plans to distribute the Shares and that it has considered the compatibility of the risk/reward profile of such Shares with the end target market; and
- 4.35.3 it acknowledges that the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom;
- 4.36 Investec, the Investment Manager and the Company are entitled to exercise any of their rights under the Placing and Offer Agreement or any other right in their absolute discretion without any liability whatsoever to it;
- 4.37 the representations, undertakings and warranties contained in this document are irrevocable. It acknowledges that Investec, the Company, the Investment Manager 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 Shares are no longer accurate, it shall promptly notify Investec and the Company;
- 4.38 where it or any person acting on behalf of it is dealing with Investec, any money held in an account with Investec on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Investec to segregate such money, as that money will be held by Investec under a banking relationship and not as trustee;
- 4.39 any of its clients, whether or not identified to Investec, will remain its sole responsibility and will not become clients of Investec for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;

- 4.40 it accepts that the allocation of Shares shall be determined by the Company (after consulting Investec) and that they may scale down the Initial Placing or any Subsequent Placing commitments for this purpose on such basis as they may determine;
- 4.41 time shall be of the essence as regards its obligations to settle payment for the Shares and to comply with its other obligations under the Initial Placing or relevant Subsequent Placing (as applicable);
- 4.42 it authorises Investec to deduct from the total amount subscribed under the Initial Placing or relevant Subsequent Placing (as applicable) the aggregate commission (if any) payable on the number of Shares allocated under the Initial Placing or relevant Subsequent Placing;
- 4.43 the commitment to subscribe for Shares on the terms set out in these terms and conditions will continue notwithstanding any amendment that may in the future be made to the terms of the Initial Placing or any Subsequent Placing and that it will have no right to be consulted or require that its consent be obtained with respect to the Company's or Investec's conduct of the Initial Placing and/or any Subsequent Placing;
- 4.44 it is capable of being categorised as a person who is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook;
- 4.45 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 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); and
- 4.46 its Shares are not being acquired in connection with arrangements to issue depositary receipts or to issue or transfer the Shares into a clearance service. Neither Investec, the Company, their respective affiliates nor any person acting on its or their behalf will be liable to bear any stamp duty or stamp duty reserve tax or any other similar duties or taxes (including, without limitation, other stamp, issue, securities, transfer, registration, capital, or documentary duties or taxes) ("**Transfer Taxes**") that arise (i) if there are any such arrangements (or if any such arrangements arise subsequent to the acquisition by Placees of Shares) or (ii) on a sale of Shares, or (iii) otherwise than under the laws of the United Kingdom. Each Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the placing as an agent or nominee) the allocation, allotment, issue or delivery of Shares has given rise to such Transfer Taxes undertakes to pay such Transfer Taxes (including any interest, fines and penalties relating thereto) forthwith, and agrees to indemnify on an after-tax basis and hold Investec and/or the Company (as the case may be) and their respective affiliates and any person acting on its or their behalf harmless from any such Transfer Taxes, and all interest, fines or penalties in relation to such Transfer Taxes. It will, therefore, take its own advice as to whether any such Transfer Tax liability arises.

## **5 PURCHASE AND TRANSFER RESTRICTIONS**

By participating in the Initial Placing or the relevant Subsequent Placing (as applicable), each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the Investment Manager, Investec and the Registrar that:

- 5.1 either (x), it is not a U.S. Person, is not located within the United States, is acquiring the Shares in an offshore transaction meeting the requirements of Regulation S and is not acquiring the Shares for the account or benefit of a U.S. Person or (y) it is both a "qualified institutional buyer" (as the term is defined in Rule 144A under the U.S. Securities Act) that is also a "qualified purchaser" within the meaning of Section 2(a)(51) of the U.S. Investment Company Act;
- 5.2 if it is located inside the United States or is a U.S. Person, it is a "qualified institutional buyer" (as the term is defined in Rule 144A under the U.S. Securities Act) that is also a "qualified purchaser" within the meaning of Section 2(a)(51) of the U.S. Investment Company Act, and the related rules thereunder and is acquiring the Shares for its own account or for the account of one or more "qualified institutional buyers" that are also "qualified purchasers" for which it is

acting as a duly authorized agent or for a discretionary account with respect to which it exercises sole investment discretion and not with a view to any resale, distribution or other disposition of any such securities in violation of any US federal or state securities laws;

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

“CORDIANT DIGITAL INFRASTRUCTURE LIMITED (THE “**COMPANY**”) HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “**U.S. INVESTMENT COMPANY ACT**”). IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**U.S. SECURITIES ACT**”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ACCORDINGLY, THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED, EXERCISED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE U.S. SECURITIES ACT OR AN EXEMPTION THEREFROM AND UNDER CIRCUMSTANCES WHICH WILL NOT REQUIRE THE COMPANY TO REGISTER UNDER THE U.S. INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS. FURTHER, NO PURCHASE, SALE OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY BE MADE UNLESS SUCH PURCHASE, SALE OR TRANSFER WILL NOT RESULT IN THE ASSETS OF THE COMPANY CONSTITUTING “PLAN ASSETS” WITHIN THE MEANING OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“**ERISA**”) OR THE PLAN ASSETS REGULATION;”;

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

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

## **6 SUPPLY OF INFORMATION**

If Investec, the Registrar or the Company or any of their agents request any information about a Placee’s agreement to subscribe for Shares under the Initial Placing and/or Subsequent Placing, such Placee must promptly disclose it to them.

## 7 MONEY LAUNDERING

Each Placee acknowledges and agrees that:

- 7.1 in connection with its participation in the Initial Placing and/or the relevant Subsequent Placing (as the case may be) it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and terrorist financing (“**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 in force in the United Kingdom; or (ii) subject to the Money Laundering Directive; or (iii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;
- 7.2 due to anti-money laundering requirements, Investec, the Administrator, the Registrar and the Company and/or their agents may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Investec, the Company and/or their agents may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Investec, the Company and/or their agents against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it or has not been provided on a timely basis.

## 8 DATA PROTECTION

- 8.1 Each Placee acknowledges that it has been informed that, pursuant to DP Legislation, the Company and/or the Registrar will, following Initial Admission, hold personal data (as defined in the DP Legislation) relating to past and present Shareholders. Personal data will be retained on record for a period exceeding six years after it is no longer used (subject to any limitations on retention periods set out in applicable law). The Registrar will process such personal data at all times in compliance with DP Legislation and shall only process for the purposes set out in the Company’s privacy notice (the “**Purposes**”) which is available for consultation on the Company’s website at [www.cordiantdigitaltrust.com](http://www.cordiantdigitaltrust.com) (the “**Privacy Notice**”) which include to:
  - 8.1.1 process its personal data to the extent and in such manner as is necessary for the performance of its obligations under its respective service contracts, including as required by or in connection with the Placee’s holding of Shares, including processing personal data in connection with credit and anti-money laundering checks on it;
  - 8.1.2 communicate with it as necessary in connection with its affairs and generally in connection with its holding of Shares;
  - 8.1.3 comply with the legal and regulatory obligations of the Company and/or the Registrar; and
  - 8.1.4 process its personal data for the Registrar’s internal administration.
- 8.2 Where necessary to fulfil the Purposes, the Company will disclose personal data to:
  - 8.2.1 third parties located either within, or outside of, Guernsey, the United Kingdom and the EEA, if necessary for the Registrar to perform its functions, or when it is within its legitimate interests, and in particular in connection with the holding of Shares; or
  - 8.2.2 its affiliates, the Registrar or the Investment Manager and their respective associates, some of which may be located outside of Guernsey, the United Kingdom and the EEA.
- 8.3 Any sharing of personal data between parties will be carried out in compliance with the DP Legislation and as set out in the Company’s Privacy Notice.
- 8.4 By becoming registered as a holder of Shares a person becomes a data subject (as defined under DP Legislation). In providing the Registrar with information, the Placee hereby represents and warrants to the Company, the Registrar and the Administrator that: (i) it complies in all material aspects with its data controller obligations under DP Legislation and, in

particular, it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Company's Privacy Notice; and (ii) where consent is legally competent and/or required under DP Legislation the Placee has obtained the consent of any data subject to the Company and the Registrar and their respective affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes).

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

## **9 MISCELLANEOUS**

- 9.1 The rights and remedies of the Company, the Investment Manager, Investec and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.
- 9.2 On application, if a Placee is 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 and/or any Subsequent Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.
- 9.3 Each Placee agrees to be bound by the Articles once the Shares, which the Placee has agreed to subscribe for pursuant to the Initial Placing and/or the relevant Subsequent Placing, have been acquired by the Placee. The contract to subscribe for Shares under the Initial Placing or relevant Subsequent Placing (as the case may be) and the appointments and authorities mentioned in this document and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims)

will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Investec, the Company, the Investment Manager and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.

- 9.4 In the case of a joint agreement to subscribe for Shares under the Initial Placing or a Subsequent Placing, references to a Placee in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.
- 9.5 The Company, the Investment Manager, the Registrar and Investec will rely upon the truth and accuracy of the foregoing representations, warranties, undertakings and acknowledgements in these terms and conditions. Each Placee which confirms its agreement to Investec to subscribe for Shares agrees to indemnify and hold each of the Company, the Investment Manager, the Registrar and Investec and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of any breach of the representations, warranties, undertakings, agreements and acknowledgements in this Part 12.
- 9.6 Investec and the Company expressly reserve the right to modify the Initial Placing and/or any Subsequent Placing (including, without limitation, their timetable and settlement) at any time before allocations are determined. The Initial Placing and each Subsequent Placing is subject to the satisfaction of the conditions contained in the Placing and Offer Agreement and the Placing and Offer Agreement not having been terminated. Further details of the terms of the Placing and Offer Agreement are contained in paragraph 6.1 of Part 8 of this document.

## PART 13

### TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION

#### 1 INTRODUCTION

Ordinary Shares are available under the Offer for Subscription at a price of 100 pence per Ordinary Share.

Applications must be made on the Application Form attached at the end of this document or otherwise published by the Company.

#### 2 EFFECT OF APPLICATION

Applications under the Offer for Subscription must be for Ordinary Shares with a minimum subscription amount of £1,000 and thereafter in multiples of £100 or such lesser amount as the Company may determine (at its discretion). Multiple applications will be accepted.

#### 3 OFFER TO ACQUIRE ORDINARY SHARES

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:

- 3.1 (i) offer to subscribe for such number of Ordinary Shares at 100 pence per Ordinary Share as may be purchased by the subscription amount specified in the box in section 1 on your Application Form (being a minimum of £1,000 and thereafter in multiples of £100 or such smaller number for which such application is accepted), and (ii) agree to receive, for nil value, Subscription Shares on the basis of one Subscription Share for every eight Ordinary Shares subscribed in the Offer for Subscription (rounded down to the nearest whole number of Subscription Shares) on the terms, and subject to the conditions, set out in this document, including these Terms and Conditions of Application and the Articles;
- 3.2 agree that, in consideration of the Company agreeing that it will not, prior to the date of Initial Admission, offer for subscription any Ordinary Shares to any person other than by means of the procedures referred to in this document, your application may not be revoked (subject to any legal right to withdraw your application which arises as a result of the publication of a supplementary prospectus prior to Initial Admission) and that this paragraph shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to the Receiving Agent of your Application Form;
- 3.3 undertake to pay the subscription amount specified in the box in section 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 a share certificate for the Ordinary Shares applied for (or any corresponding Subscription Shares) in certificated form or be entitled to commence dealing in Ordinary Shares applied for (or any corresponding Subscription Shares) in uncertificated form or to enjoy or receive any rights in respect of such Ordinary Shares (or the corresponding Subscription Shares) unless and until you make payment in cleared funds for such Ordinary Shares and such payment is accepted by the Receiving Agent (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Receiving Agent, the Company and Investec 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) avoid the agreement to allot the Ordinary Shares (and the corresponding Subscription 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 drawn on a branch of a UK clearing bank to the bank account name from which they were received at your risk or direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn, for an amount equal to the proceeds of the remittance which accompanied your Application Form, without interest);

- 3.4 agree, that where on your Application Form a request is made for Ordinary Shares (and the corresponding Subscription Shares) to be deposited into a CREST account (a “**CREST Account**”), (i) the Receiving Agent may in its absolute discretion amend the Application Form so that such Ordinary Shares (and the corresponding Subscription Shares) may be issued in certificated form registered in the name(s) of the holder(s) specified in your Application Form (and recognise that the Receiving Agent will so amend the form if there is any delay in satisfying the identity of the applicant or the owner of the CREST Account or in receiving your remittance in cleared funds), and (ii) the Receiving Agent, the Company and Investec 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 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;
- 3.5 agree, in respect of applications for Ordinary Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 3.4 above to issue Ordinary Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled or pursuant to paragraph 3.4 above (and any monies returnable to you) may be retained by the Receiving Agent:
- pending clearance of your remittance;
  - pending investigation of any suspected breach of the warranties contained in paragraphs 7.2, 7.6, 7.14, 7.6 or 7.15 below or any other suspected breach of these Terms and Conditions of Application; or
  - pending any verification of identity which is, or which the Receiving Agent considers may be, required for the purpose of the Money Laundering Regulations and any other regulations applicable thereto,
- and any interest accruing on such retained monies shall accrue to and for the benefit of the Company;
- 3.6 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;
- 3.7 agree that if evidence of identity satisfactory to the Receiving Agent is not provided to the Receiving Agent within a reasonable time (in the opinion of the Receiving Agent) following a request therefor, the Receiving Agent or the Company may terminate the agreement with you to allot Ordinary Shares (and the corresponding Subscription Shares) and, in such case, the Ordinary Shares (and the corresponding Subscription Shares) which would otherwise have been allotted to you may be re-allotted or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned by a cheque drawn on a branch of a UK clearing bank to the bank account name from which they were first received, at your risk and without interest of any proceeds of the payment accompanying the application, or direct to the bank account of the bank or building society on which the relevant cheque or banker's draft was drawn;
- 3.8 agree that you are not applying on behalf of a person engaged in money laundering;
- 3.9 undertake to ensure that, in the case of an application signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or a bank) is enclosed with your Application Form together with full identity documents for the person so signing;
- 3.10 undertake to pay interest at the rate described in paragraph 4 below if the remittance accompanying your Application Form is not honoured on first presentation;
- 3.11 authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of Ordinary Shares (and the corresponding Subscription Shares) for which your application is accepted or if you have completed the relevant payment method box in section 1 on your Application Form, but subject to paragraph 3.4 above, to deliver the

number of Ordinary Shares (and the corresponding Subscription Shares) for which your application is accepted into CREST, and/or to return any monies returnable without payment of interest (at your risk) either as a cheque by first class post to the address completed in section 2 on the Application Form or return funds direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn;

- 3.12 confirm that you have read and complied with paragraph 9 below;
- 3.13 agree that all subscription cheques and payments will be processed through a bank account in the name of "CIS PLC re CDI Limited – OFS A/C" opened by the Receiving Agent;
- 3.14 agree that your Application Form is addressed to the Company and the Receiving Agent;
- 3.15 agree that your application must be for a whole number of Ordinary Shares and the number of Ordinary Shares issued to you (and the corresponding number of Subscription Shares) will be rounded down to the nearest whole number;
- 3.16 acknowledge that the offer to the public of Ordinary Shares is being made only in the United Kingdom and Isle of Man and represent that you are a United Kingdom or Isle of Man resident (unless you are able to provide such evidence as the Company may, in its absolute discretion, require that you are entitled to apply for Ordinary Shares); and
- 3.17 agree that any application may be rejected in whole or in part at the sole discretion of the Company.

#### **4 ACCEPTANCE OF YOUR OFFER**

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 the FCA via a Regulatory Information Service of the basis of allocation (in which case the acceptance will be on that basis).

The basis of allocation will be determined by the Company in consultation with Investec. 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.

Payments must be in Sterling and paid by cheque or bankers' draft, electronic bank transfer or delivery versus payment in accordance with this paragraph 4. Fractions of Ordinary Shares will not be issued.

The Receiving Agent will present all cheques and bankers' drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants' payments.

For applicants sending subscription monies by electronic bank transfer (CHAPs), payment must be made for value by no later than 11:00 a.m. on 12 February 2021.

Should you wish to apply for Ordinary Shares by delivery versus payment method ("**DVP**"), you will need to match your instructions to the Receiving Agent's Participant Account 8RA27 by no later than 11:00 a.m. on 12 February 2021, allowing for the delivery and acceptance of your Ordinary Shares (and the corresponding Subscription Shares) to your CREST account against payment of the Issue Price in Sterling through the CREST system upon the settlement date, following the CREST matching criteria set out in the Application Form.

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 4 per cent. per annum.

Except as provided below, payments may be made by cheque or banker's draft drawn on an account where the applicant has sole or joint title to the funds and on an account at a branch of a bank or building society 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 that has arranged for its cheques or bankers' drafts to be cleared through the facilities provided for members of either of those companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of an individual applicant where they have sole or joint title to the funds, must be made payable to "CIS PLC re CDI Limited – OFS A/C" opened by the Receiving Agent. Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping/endorsing the cheque or banker's draft to that effect or have provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the Application Form.

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. on 12 February 2021. Applicants should contact Computershare at OFSPaymentQueries@computershare.co.uk for details of where to make the payment. Applicants must ensure that they remit sufficient funds to cover any charges incurred by their bank.

The payment instruction relating to the electronic transfer must also include a unique reference comprising your name and a contact telephone number which should be entered in the reference field on the payment instruction, for example: MJ Smith 01234 567890. The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference nor where a payment has been received but without an accompanying Application Form.

Applicants choosing to settle via CREST, that is DVP, will need to match their instructions to Computershare's Participant Account 8RA27, by no later than 11.00 a.m. on 15 February 2021, allowing for the delivery and acceptance of the Ordinary Shares to be made against payment of the Issue Price per Ordinary Share, following the CREST matching criteria set out in the Application Form.

## **5 CONDITIONS**

The contracts created by the acceptance of applications (in whole or in part) under the Offer for Subscription will be conditional upon:

- Initial Admission occurring by 8.00 a.m. (London time) on 16 February 2021 or such later time or date as the Company, the Investment Manager and Investec may agree (being not later than 8.00 a.m. on 31 March 2021);
- the Placing and Offer Agreement becoming otherwise unconditional (save as to Initial Admission) and not being terminated in accordance with its terms at any time before Initial Admission; and
- the Minimum Gross Proceeds (or such lesser amount as the Company, the Investment Manager, and Investec may agree) being raised.

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.

## **6 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 (at the applicant's risk) either by first class post as a cheque to the address set out on the Application Form or returned direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn. In the meantime, application monies will be retained by the Receiving Agent in a separate account.

## 7 WARRANTIES

By completing an Application Form, you:

- 7.1 undertake and 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 a bank;
- 7.2 warrant, if the laws of any territory or jurisdiction outside the United Kingdom or Isle of Man are applicable to your application, that you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company, the Investment Manager, Investec or the Receiving Agent or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside of the United Kingdom in connection with the Offer for Subscription in respect of your application;
- 7.3 confirm that (save for advice received from your financial adviser (if any)) 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 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 or such supplementary prospectus or any part thereof shall have any liability for any such other information or representation;
- 7.4 agree that, having had the opportunity to read this document and the Key Information Documents relating to the Ordinary Shares and the Subscription Shares each in their entirety, you shall be deemed to have had notice of all information and representations contained in this document and the Key Information Documents relating to the Ordinary Shares and the Subscription Shares;
- 7.5 acknowledge that no person is authorised in connection with the Offer for Subscription to give any information or make any representation other than as contained in this document and any supplementary prospectus published prior to Initial Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the Investment Manager, Investec or the Receiving Agent;
- 7.6 represent and warrant to the Company that: (i) you are not a U.S. Person, are not located within the United States and are not acquiring the Ordinary Shares for the account or benefit of a U.S. Person; and (ii) you are acquiring the Ordinary Shares in an offshore transaction meeting the requirements of Regulation S;
- 7.7 warrant that you are not under the age of 18 on the date of your application;
- 7.8 agree that all documents and monies sent by post to, by, from 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;
- 7.9 confirm that you have reviewed the restrictions contained in paragraph 9 below and warrant that you (and any person on whose behalf you apply) comply with the provisions therein;
- 7.10 agree that, in respect of those Ordinary Shares (and corresponding Subscription 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;
- 7.11 agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Subscription shall be governed by and construed in accordance with the laws of England and Wales and that you submit to the jurisdiction of the English Courts and agree that nothing shall limit the right of the Company or the Receiving Agent 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;

- 7.12 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 Ordinary Shares (and corresponding Subscription 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;
- 7.13 agree to provide the Company with any information which it and/or Investec or the Receiving Agent 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 Money Laundering Regulations;
- 7.14 warrant that, in connection with your application, you have observed the laws of all requisite territories, obtained any requisite governmental or other consents, 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 which will or may result in the Company, the Investment Manager, Investec and/or the Receiving Agent acting in breach of the regulatory or legal requirements of any territory in connection with the Offer for Subscription or your application;
- 7.15 represent and warrant to the Company that if in the future you decide to offer, sell, transfer, assign or otherwise dispose of the Ordinary Shares and/or Subscription Shares, you will do so only: (i) in an offshore transaction complying with the provisions of Regulation S under the U.S. Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person, by pre-arrangement or otherwise, or (ii) to the Company or a subsidiary thereof. You understand and acknowledge that any sale, transfer, assignment, pledge or other disposal made other than in compliance with the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;
- 7.16 agree that Investec and the Receiving Agent are acting for the Company in connection with the Offer for Subscription and for no-one else and that they will not treat you as their customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of the Ordinary Shares or concerning the suitability of the Ordinary Shares and/or Subscription Shares for you or be responsible to you for the protections afforded to their customers;
- 7.17 warrant that you are not subscribing for the 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 Ordinary Shares;
- 7.18 warrant that the information contained in the Application Form is true and accurate; and
- 7.19 agree that if you request that Ordinary Shares (and the corresponding Subscription Shares) are issued to you on a date other than Initial Admission and such Ordinary Shares (and the corresponding Subscription 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 Ordinary Shares (and the corresponding Subscription Shares) on a different date.

## **8 MONEY LAUNDERING**

You agree that, in order to ensure compliance with the Money Laundering Regulations, the Proceeds of Crime Act 2002 and any other applicable regulations, the Receiving Agent may at its absolute discretion require verification of identity of you (the “**holder(s)**”) as the applicant lodging an Application Form and further may request from you and you will assist in providing identification of:

- the owner(s) and/or controller(s) (the “**payor**”) of any bank account not in the name of the holder(s) on which is drawn a payment by way of banker’s draft or cheque; or
- where it appears to the Receiving Agent that a holder or the payor is acting on behalf of some other person or persons.

Any delay or failure to provide the necessary evidence of identity may result in your application being rejected or delays in crediting CREST accounts or the despatch of documents.

Without prejudice to the generality of this paragraph 8, verification of the identity of holders and payors will be required if the value of the Ordinary Shares applied for, whether in one or more applications considered to be connected, exceeds €15,000 (or the Sterling equivalent). If you use a building society cheque or banker's draft 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 cheque or banker's draft and adds its stamp.

If, in such circumstances, the person whose account is being debited is not a holder you will be required to provide for both the holder and the payor an original or a copy of that person's passport or driving licence certified by a solicitor and an original or certified copy of the following no more than three months old, a gas, electricity, water or telephone (not mobile) bill, a recent bank statement or a council tax bill, in their name and showing their current address (which originals will be returned by post at the addressees' risk) together with a signed declaration as to the relationship between the payor and you the holder.

For the purpose of the Money Laundering Regulations a person making an application for Ordinary Shares will not be considered as forming a business relationship with the Company or the Receiving Agent but will be considered as effecting a one-off transaction with either the Company or with the Receiving Agent. Submission of an Application Form with the appropriate remittance will constitute a warranty to each of the Company and the Receiving Agent from the applicant that the Money Laundering Regulations will not be breached by the application of such remittance.

The person(s) submitting an application for Ordinary Shares will ordinarily be considered to be acting as principal in the transaction unless the Receiving Agent determines otherwise, whereupon you may be required to provide the necessary evidence of identity of the underlying beneficial owner(s). Whilst the Receiving Agent may carry out checks on any application, they are usually only performed when dealing with application values above a certain threshold, commonly referred to as the anti-money laundering threshold which is €15,000 (or the Sterling equivalent).

## **9 NON-UNITED KINGDOM OR ISLE OF MAN INVESTORS**

The Offer for Subscription is only being made in the United Kingdom and the Isle of Man. If you receive a copy of this document or an Application Form in any territory other than the United Kingdom or the Isle of Man you may not treat it as constituting an invitation or offer to you, nor should you, in any event, use an Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to you or an Application Form could lawfully be used without contravention of any registration or other legal requirements. It is your responsibility, if you are outside the UK or Isle of Man and wish to make an application for Ordinary Shares under the Offer for Subscription, to satisfy yourself as to full observance of 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.

None of the Ordinary Shares or Subscription Shares have been or will be registered under the laws of Canada, Japan, Australia, the Republic of South Africa, any member state of the EEA or under the U.S. Securities Act or with any securities regulatory authority of any state or other political subdivision of the United States, Canada, Japan, Australia, the Republic of South Africa or any member state of the EEA. If you subscribe for Ordinary Shares you will, unless the Company and the Receiving Agent agree otherwise in writing, be deemed to represent and warrant to the Company that you are not a resident of Canada, Japan, Australia, the Republic of South Africa or any member state of the EEA, or a corporation, partnership or other entity organised under the laws of Canada (or any political subdivision of either), Japan, Australia, the Republic of South Africa or any member state of the EEA and that you are not subscribing for such Ordinary Shares for the account of any U.S. Person or resident of Canada, Japan, Australia, the Republic of South Africa or any member state of the EEA and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the Ordinary

Shares in or into the United States, Canada, Japan, Australia, the Republic of South Africa or any member state of the EEA, or to any U.S. Person or person resident in Canada, Japan, Australia, the Republic of South Africa or any member state of the EEA. No application will be accepted if it shows the applicant, payor or a holder having an address other than in the United Kingdom or Isle of Man.

## 10 DATA PROTECTION

Each applicant acknowledges that it has been informed that, pursuant to the DP Legislation, the Company and/or the Registrar will following Initial Admission, hold personal data (as defined in the DP Legislation) relating to past and present Shareholders. Personal data will be retained on record for a period exceeding six years after it is no longer used (subject to any limitations on retention periods set out in applicable law). The Registrar will process such personal data at all times in compliance with DP Legislation and shall only process for the purposes set out in the Company's privacy notice (the "**Purposes**") which is available for consultation on the Company's website at [www.cordiantdigitaltrust.com](http://www.cordiantdigitaltrust.com) (the "**Privacy Notice**") which include to:

- 10.1.1 process its personal data to the extent and in such manner as is necessary for the performance of its obligations under its respective service contracts, including as required by or in connection with the applicant's holding of Ordinary Shares and Subscription Shares, including processing personal data in connection with credit and anti-money laundering checks on it;
  - 10.1.2 communicate with it as necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares and Subscription Shares;
  - 10.1.3 comply with the legal and regulatory obligations of the Company and/or the Registrar; and
  - 10.1.4 process its personal data for the Registrar's internal administration.
- 10.2 Where necessary to fulfil the Purposes, the Company will disclose personal data to:
- 10.2.1 third parties located either within, or outside of Guernsey, the United Kingdom or the EEA, if necessary for the Registrar to perform its functions, or when it is within its legitimate interests, and in particular in connection with the holding of Ordinary Shares and Subscription Shares; or
  - 10.2.2 its affiliates, the Registrar or the Investment Manager and their respective associates, some of which may be located outside of Guernsey, the United Kingdom and the EEA.
- 10.3 Any sharing of personal data between parties will be carried out in compliance with the DP Legislation and as set out in the Company's Privacy Notice.
- 10.4 By becoming registered as a holder of Ordinary Shares and Subscription Shares a person becomes a data subject (as defined under DP Legislation). In providing the Registrar with information, the applicant hereby represents and warrants to the Company, the Registrar and the Administrator that: (i) it complies in all material aspects with its data controller obligations under DP Legislation, and in particular, it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Company's Privacy Notice; and (ii) where consent is legally competent and/or required under DP Legislation the applicant has obtained the consent of any data subject to the Company and Registrar and their respective affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes).
- 10.5 Each applicant acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the applicant is a natural person he or she has read and understood the terms of the Company's Privacy Notice.

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

## **11 MISCELLANEOUS**

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 Ordinary Shares and the Offer for Subscription.

The rights and remedies of the Company, the Investment Manager, Investec 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.

The Company reserves the right to extend the closing time and/or date of the Offer for Subscription from 11.00 a.m. on 12 February 2021. In that event, the new closing time and/or date will be notified to applicants via an RIS.

The Company may terminate the Offer for Subscription in its absolute discretion at any time prior to Initial Admission. If such right is exercised, the Offer for Subscription will lapse and any monies will be returned as indicated without interest.

You agree that Investec and the Receiving Agent are acting for the Company in connection with the Initial Issue and for no-one else, and that neither Investec nor the Receiving Agent will treat you as its customer by virtue of such application being accepted or owe you any duties concerning the price of the Ordinary Shares or concerning the suitability of the Ordinary Shares and/or Subscription Shares for you or otherwise in relation to the Initial Issue or for providing the protections afforded to their customers.

Save where the context requires otherwise, terms used in these Terms and Conditions of Application bear the same meaning as where used in the document.

THIS PAGE IS INTENTIONALLY LEFT BLANK

## APPENDIX 1 – APPLICATION FORM

For official use only

Application form for the Offer for Subscription

### **CORDIANT DIGITAL INFRASTRUCTURE LIMITED**

**Important:** before completing this form, you should read the accompanying notes.

To: Cordiant Digital Infrastructure Limited

#### **1 Application**

I/We the person(s) detailed in section 2 below offer to subscribe for the amount shown in the box in section 1 subject to the Terms and Conditions of Application set out in Part 12 of the Prospectus dated 29 January 2021 and subject to the Articles of the Company.

In the box in this section 1 (write in figures, the aggregate value, at the Issue Price (being 100 pence per Ordinary Share), of the Ordinary Shares that you wish to apply for – a minimum of £1,000 and thereafter in multiples of £100).

**Payment Method** (Tick appropriate box)

Cheque / Banker's draft

Bank transfer

CREST Settlement (DvP)

#### **2 Details of Holder(s) in whose name(s) Ordinary Shares will be issued (BLOCK CAPITALS)**

Mr, Mrs, Miss or Title.....

Forenames (in full).....

Surname/Company Name .....

Address (in full) .....

Designation (if any).....

Date of Birth .....

Mr, Mrs, Miss or Title.....

Forenames (in full).....

Surname .....

Date of Birth .....

Mr, Mrs, Miss or Title.....

Forenames (in full).....

Surname .....

Date of Birth .....

Mr, Mrs, Miss or Title.....

Forenames (in full).....

Surname .....

Date of Birth .....



### 3 CREST details

(Only complete this section if Ordinary Shares and corresponding Subscription Shares issued are to be deposited in a CREST Account which must be in the same name as the holder(s) given in section 2).

CREST Participant ID: 

--	--	--	--	--

CREST Member Account ID: 

--	--	--	--	--	--	--	--	--	--

### 4 Signature(s) – all holders must sign

I/we confirm that by signing below, I/we agree to the Terms and Conditions of Application in Section 13 of the prospectus dated 29 January 2021 and give the representations, warranties and undertakings set out therein, including that I/we are not in the United States and are not U.S. Persons.

Execution by individuals:

First Applicant Signature		Date	
Second Applicant Signature		Date	
Third Applicant Signature		Date	
Fourth Applicant Signature		Date	

Execution by a company:

Executed by (Name of company):		Date	
Name of Director:		Signature	Date
Name of Director/ Secretary:		Signature	Date
If you are affixing a company seal, please mark a cross here:		Affix Company Seal here:	

### 5 Settlement details

#### (a) *Cheque/Banker's Draft*

If you are subscribing for Ordinary Shares and paying by cheque or banker's draft, attach to this form your cheque or banker's draft for the exact amount shown in the box in section 1. Cheques or bankers' drafts must be made payable to "**CIS PLC re CDI Limited – OFS A/C**". Cheques and bankers' drafts must be drawn on an account at a branch of a bank or building society in the United Kingdom and must bear the appropriate sort code in the top right hand corner. You should tick the relevant payment method box in section 1.

#### (b) *Bank transfer*

For applicants sending subscription monies by electronic bank transfer (CHAPs), payment must be made for value by 11.00 a.m. on 12 February 2021. Applicants wishing to make a CHAPs payment should contact Computershare stating "CDI OFS" by email at [OFSPaymentQueries@computershare.co.uk](mailto:OFSPaymentQueries@computershare.co.uk) for full bank details or telephone the shareholder helpline on +44 (0)370 707 4040 for further information. Applicants will be provided with a unique reference number which must be used when making the payment.

Electronic payments must come from a UK bank account and from a personal account in the name of the individual applicant where they have sole or joint title to the funds. The account name should be the same as that inserted below and payments must relate solely to your Application. You should tick the relevant payment method box in section 1. It is recommended that such transfers are actioned within 24 hours of posting your application.

Sort Code:	Account name:
Account Number:	Contact name at branch and telephone number

Evidence of the source of funds may also be required. Typically this will be a copy of the remitting bank account statement clearly identifying the applicant's name, the value of the debit (equal to the application value) and the crediting account details or application reference. A photocopy of the transaction can be enclosed with your application or a pdf copy can also be scanned and emailed to [OFSPaymentQueries@computershare.co.uk](mailto:OFSPaymentQueries@computershare.co.uk). Photographs of the electronic transfer are not acceptable.

Any delay in providing monies may affect acceptance of the application. If the Receiving Agent is unable to match your application with a bank payment, there is a risk that your application could be delayed or will not be treated as a valid application and may be rejected by the Company and/or the Receiving Agent.

**Please Note** – you should check with your bank regarding any limits imposed on the level and timing of transfers allowed from your account (for example, some banks apply a maximum transaction or daily limit, and you may need to make the transfer as more than one payment).

The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference or where a payment has been received but without an accompanying application form.

(c) *CREST Settlement*

If you so choose to settle your application within CREST, that is by DvP, you or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per Ordinary Share using the CREST matching criteria set out below:

Trade date:	12 February 2021
Settlement date:	16 February 2021
Company:	CORDIANT DIGITAL INFRASTRUCTURE LIMITED
Security description:	Ordinary Shares of no par value
SEDOL:	BMC7TM7
ISIN:	GG00BMC7TM77
CREST message type:	DEL

Should you wish to settle by DvP, you will need to input your CREST DEL instructions to Computershare's Participant Account 8RA27 by no later than 11.00 a.m. on 15 February 2021.

You must also ensure that you or your settlement agent/custodian has a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

Applicants wishing to settle by DvP will still need to complete and submit a valid Application Form by 11.00 a.m. on 12 February 2021. You should tick the relevant payment method box in section 1.

Note: Computershare will not take any action until a valid DEL message has been alleged to the Participant Account by the applicant. No acknowledgement of receipt or input will be provided.



In the event of late/non settlement the Company reserves the right to deliver Ordinary Shares (and the corresponding Subscription Shares) outside of CREST in certificated form provided that payment has been made in terms satisfactory to the Company and all other conditions of the Offer for Subscription have been satisfied.

## 6 Anti-money Laundering

Anti-money laundering checks are required by law to be performed on certain financial transactions. The checks are undertaken to make sure investors are genuinely who they say they are and that any application monies have not been acquired illegally or that Computershare itself is not being used as part of criminal activity, most commonly the placement, layering and integration of illegally obtained money.

Whilst Computershare may carry out checks on any application, they are usually only performed when dealing with application values above a certain threshold, commonly referred to as the anti-money laundering threshold which is €15,000 (or the Sterling equivalent).

Computershare will make enquiries to credit reference agencies to meet its anti-money laundering obligations and the applicant may be required to provide an original or certified copy of their passport, driving licence and recent bank statements to support such enquiries. Anti-money laundering checks do not mean the investor is suspected of anything illegal and there is nothing to worry about.

The checks made at credit reference agencies leave an 'enquiry footprint' – an indelible record so that the investor can see who has checked them out. The enquiry footprint does not have any impact on their credit score or on their ability to get credit. Anti-Money Laundering Checks appear as an enquiry/soft search on the applicant's credit report. The report may contain a note saying "Identity Check to comply with Anti Money Laundering Regulations".

Computershare reserves the right to request any further additional information it deems necessary to confirm the identity, address, source of funds and wealth of all parties, and further it reserves the right to decline an application for any individual or business where it considers that the information available is unsuitable or unreliable.

If at any time the Company has reasonable grounds for suspecting that the funds contributed to the Company may represent the proceeds of crime, it reserves the right to refuse to issue Ordinary Shares or pay income or dividends on Ordinary Shares to the applicant or investor until sufficient information has been supplied to satisfy the Receiving Agent's anti-money laundering requirements. To the extent that the applicant or, where relevant, the beneficial owner has been identified as a politically exposed person or an associate of a politically exposed person, the Receiving Agent may request additional information. These requirements apply both at the time of investment and on an ongoing basis.

## 7 Contact details

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Company (or any of its agents) may contact with all enquiries concerning this application. If no details are provided this may delay obtaining the additional information required and may result in your application being rejected or revoked.

E-mail address
Telephone No

## 8 Queries

If you have any queries on how to complete this form or if you wish to confirm your final allotment of Ordinary Shares, please call the Computershare helpline on +44 (0)370 707 4040. The helpline is open between 8.30 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide any financial, legal or tax advice.

### Notes on how to complete the Offer for Subscription Application Form

**Applications should be returned to be received by Computershare no later than 11.00 a.m. on 12 February 2021.**

**Helpline:** If you have a query concerning the completion of this Application Form, please telephone Computershare on +44 (0)370 707 4040. The helpline is open between 8.30 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

## 1 Application

Fill in (in figures) in the box in section 1 the aggregate value, at the Issue Price (being 100 pence per Ordinary Share), of the Ordinary Shares being subscribed for. The value must be a minimum of £1,000, and thereafter in multiples of £100.

Financial intermediaries who are investing on behalf of clients should make separate applications for each client.

## 2 Payment method

Mark in the relevant box in section 1 to confirm your payment method, i.e. cheque/banker's draft, bank transfer or settlement via CREST.

## 3 Holder details

Fill in (in block capitals) the full name(s) of each holder and the address of the first named holder. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference. A maximum of four joint holders is permitted. All holders named must sign the Application Form in section 4.

## 4 CREST

If you wish your Ordinary Shares (and the corresponding Subscription Shares) to be deposited in a CREST account in the name of the holders given in section 2, enter in section 3 the details of that CREST account. Where it is requested that Ordinary Shares (and the corresponding Subscription Shares) be deposited into a CREST account, please note that payment for such Ordinary Shares must be made prior to the day such Ordinary Shares (and the corresponding Subscription Shares) might be issued, unless settling by DvP in CREST.

## 5 Signature

All holders named in section 2 must sign section 4 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.



## 6 Settlement details

### (a) *Cheque/Banker's draft*

All payments by cheque or banker's draft must accompany your application and be for the exact amount inserted in the box in section 1 of the Application Form. Your cheque or banker's draft must be made payable to "**CIS PLC re CDI Limited – OFS A/C**", in respect of an application and crossed "**A/C Payee Only**". Applications accompanied by a post-dated cheque will not be accepted.

Cheques or bankers' drafts must be drawn on an account where the applicant has sole or joint title to the funds and on an account at a branch of a bank or building society 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 the appropriate sort code in the top right hand corner.

Third party cheques may not be accepted, with the exception of building society cheques or bankers' drafts where the building society or bank has inserted on the back of the cheque the full name of the building society or bank account holder and have added the building society or bank branch stamp. The name of the building society or bank account holder must be the same as the name of the current shareholder or prospective investor. Please do not send cash. Cheques or bankers' drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and bankers' drafts to allow the Company to obtain value for remittances at the earliest opportunity.

### (b) *Bank transfer*

For applicants sending subscription monies by electronic bank transfer (CHAPs), payment must be made for value by 11.00 a.m. on 12 February 2021. Applicants wishing to make a CHAPs payment should contact Computershare stating "CDI OFS" by email at [OFSPaymentQueries@computershare.co.uk](mailto:OFSPaymentQueries@computershare.co.uk) for full bank details or telephone the shareholder helpline on +44 (0)370 707 4040 for further information. Applicants will be provided with a unique reference number which must be used when making the payment.

Electronic payments must come from a UK bank account and from a personal account in the name of the individual applicant where they have sole or joint title to the funds. The account name should be the same as that inserted in section 5(b) of the Application Form and payments must relate solely to your Application. You should tick the relevant payment method box in section 1. It is recommended that such transfers are actioned within 24 hours of posting your application.

Evidence of the source of funds may also be required. Typically this will be a copy of the remitting bank account statement clearly identifying the applicant's name, the value of the debit (equal to the application value) and the crediting account details or application reference. A photocopy of the transaction can be enclosed with your application or a pdf copy can also be scanned and emailed to [OFSPaymentQueries@computershare.co.uk](mailto:OFSPaymentQueries@computershare.co.uk). Photographs of the electronic transfer are not acceptable.

Any delay in providing monies may affect acceptance of the application. If the Receiving Agent is unable to match your application with a bank payment, there is a risk that your application could be delayed or will not be treated as a valid application and may be rejected by the Company and/or the Receiving Agent.

**Please Note** – you should check with your bank regarding any limits imposed on the level and timing of transfers allowed from your account (for example, some banks apply a maximum transaction or daily limit, and you may need to make the transfer as more than one payment).

The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference or where a payment has been received but without an accompanying application form.

(c) *CREST settlement*

The Company will apply for the Ordinary Shares and Subscription Shares issued pursuant to the Offer for Subscription in uncertificated form to be enabled for CREST transfer and settlement with effect from Initial Admission (being the settlement date). Accordingly, settlement of transactions in the Ordinary Shares and Subscription Shares will normally take place within the CREST system.

The Application Form contains details of the information which the Company's Receiving Agent, Computershare, will require from you to settle your application within CREST, if you so choose. If you do not provide any CREST details or if you provide insufficient CREST details for Computershare to match to your CREST account, Computershare will deliver your Ordinary Shares in certificated form provided payment has been made in terms satisfactory to the Company.

The right is reserved to issue your Ordinary Shares (and the corresponding Subscription Shares) in certificated form should the Company, having consulted with Computershare, consider this to be necessary or desirable. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system of Computershare in connection with CREST.

The person named for registration purposes in your Application Form must be: (a) the person procured by you to subscribe for or acquire the Ordinary Shares; or (b) yourself; or (c) a nominee of any such person or yourself, as the case may be. Neither Computershare nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. You will need to input the delivery versus payment ("DvP") instructions into the CREST system in accordance with your application. The input returned by Computershare of a matching or acceptance instruction to our CREST input will then allow the delivery of your Ordinary Shares (and the corresponding Subscription Shares) to your CREST account against payment of the Issue Price in Sterling through the CREST system upon the settlement date.

By returning your Application Form you agree that you will do all things necessary to ensure that you or your settlement agent/custodian's CREST account allows for the delivery and acceptance of Ordinary Shares and Subscription Shares to be made prior to 8.00 a.m. on 16 February 2021 against payment of the Issue Price. Failure by you to do so will result in you being charged interest at the rate of two percentage points above the then published bank base rate of a clearing bank selected by the Company.

If you so choose to settle your application within CREST, that is by DvP, you or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares (and the corresponding Subscription Shares) to be made against payment of the Issue Price per Ordinary Share using the following CREST matching criteria set out below:

Trade date:	12 February 2021
Settlement date:	16 February 2021
Company:	CORDIANT DIGITAL INFRASTRUCTURE LIMITED
Security description:	Ordinary Shares of no par value
SEDOL:	BMC7TM7
ISIN:	GG00BMC7TM77
CREST message type:	DEL

Should you wish to settle by DvP, you will need to input your CREST DEL instructions to Computershare's Participant Account 8RA27 by no later than 11.00 a.m. on 15 February 2021.

You must also ensure that you or your settlement agent/custodian has a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

Applicants wishing to settle by DvP will still need to complete and submit a valid Application Form by 11.00 a.m. on 12 February 2021. You should tick the relevant payment method box in section 1.



Note: Computershare will not take any action until a valid DEL message has been alleged to the Participant Account by the applicant.

No acknowledgement of receipt or input will be provided.

In the event of late/non settlement the Company reserves the right to deliver Ordinary Shares (and the corresponding Subscription Shares) outside of CREST in certificated form provided that payment has been made in terms satisfactory to the Company and all other conditions of the Offer for Subscription have been satisfied.

