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

This document comprises a prospectus (the “Prospectus”) relating to SDCL Energy Efficiency Income Trust plc (the “Company”), prepared in accordance with the prospectus rules of the Financial Conduct Authority (the “FCA”) made pursuant to section 73A of FSMA (the “Prospectus Rules”). This Prospectus has been approved by the FCA and has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

Applications will be made for the Ordinary Shares to be admitted to the premium listing category of the Official List and to be admitted to trading on the premium segment of the Main Market. It is not intended that any class of shares in the Company be admitted to listing or trading in any other jurisdiction. It is expected that Initial Admission will become effective and that dealings for normal settlement in the Ordinary Shares will commence at 8.00 a.m. on 11 December 2018.

SDCL ENERGY EFFICIENCY INCOME TRUST PLC

(Incorporated in England and Wales with registered no. 11620959 and registered as an investment company under section 833 of the Companies Act 2006)

Target Initial Placing and Offer of 150 million Ordinary Shares at £1.00 per Ordinary Share

Share Issuance Programme of up to 300 million Ordinary Shares and/or C Shares in Aggregate

Sponsor, Global Co-Ordinator and Bookrunner

Jefferies International Limited

The Company and each of the Directors whose name appears on page 51 of this Prospectus, accept responsibility for the information and opinions contained in this Prospectus. To the best of the knowledge of the Company and the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Sustainable Development Capital LLP (the “Investment Manager”) accepts responsibility for the information and opinions contained in this Prospectus relating to it and all statements made by it. To the best of the knowledge of the Investment Manager, which has taken all reasonable care to ensure that such is the case, the information or opinions contained in this Prospectus related to or attributed to it are in accordance with the facts and do not omit anything likely to affect the import of such information or opinions.

Jefferies International Limited (“Jefferies”), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and for no one else in connection with the Initial Issue, the Share Issuance Programme, each Admission, the contents of this Prospectus

or any matters referred to in this Prospectus. Jefferies will not be responsible to anyone (whether or not a recipient of this Prospectus) other than the Company for providing the protections afforded to clients of Jefferies or for providing advice in relation to the Initial Issue, the Share Issuance Programme, each Admission, the contents of this Prospectus or any matters referred to in this Prospectus. Jefferies is not responsible for the contents of this Prospectus or any matters referred to in this Prospectus. This does not exclude any responsibilities which Jefferies may have under FSMA or the regulatory regime established thereunder.

Apart from the liabilities and responsibilities (if any) which may be imposed on Jefferies by FSMA or the regulatory regime established thereunder, Jefferies makes no representations, express or implied, nor accepts any responsibility whatsoever for the contents of this Prospectus nor for any other statement made or purported to be made by it or on its behalf in connection with the Company, the Shares, the Initial Issue, the Share Issuance Programme or any Admission. Jefferies and its Affiliates accordingly disclaim all and any responsibility or liability (save for any statutory liability), whether arising in tort, contract or otherwise which it or they might otherwise have in respect of this Prospectus or any such statement.

The Offer will remain open until 11.00 a.m. on 5 December 2018 and the Initial Placing will remain open until 3.00 p.m. on 5 December 2018. Persons wishing to participate in the Offer should complete the Application Form set out in Appendix 1 to this Prospectus. To be valid, Application Forms must be completed and returned with the appropriate remittance so as to reach the Receiving Agent by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol, BS99 6AH, or by hand (during business hours only) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS13 8AE as soon as possible, and in any event so as to be received no later than 11.00 a.m. on 5 December 2018. Applicants participating through an Intermediary should refer to paragraph 4 of Part V (The Initial Issue and the Share Issuance Programme) of this Prospectus for further details on the relevant application process.

The actual number of Shares to be issued pursuant to the Initial Issue or any relevant Subsequent Issue will be determined by the Company, the Investment Manager and Jefferies after taking into account the demand for the Shares and prevailing economic market conditions. Further details of the Initial Issue and how the number of such Shares is to be determined are contained in Part V (The Initial Issue and the Share Issuance Programme) of this Prospectus.

Neither the US Securities and Exchange Commission (the “SEC”) nor any state securities commission has approved or disapproved this Prospectus or the issue of the Shares or passed upon or endorsed the merits of the offering of the Shares or the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

In addition, the Shares are subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions. For further information on restrictions on offers, sales and transfers of the Shares, please refer to the section entitled “Overseas Persons and Restricted Territories” in Part V (The Initial Issue and the Share Issuance Programme) of this Prospectus.

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

This Prospectus does not constitute or form part of any offer or invitation to sell, or the solicitation of an offer to acquire or subscribe for, any securities other than the securities to which it relates, or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for such securities by any person in any circumstances in which such offer or solicitation is

unlawful or would impose any unfulfilled registration, qualification, publication or approval requirements on the Company, the Investment Manager or Jefferies.

The distribution of this Prospectus and the offer of the Shares in certain jurisdictions may be restricted by law. Other than in the United Kingdom, no action has been or will be taken to permit the possession, issue or distribution of this Prospectus (or any other offering or publicity material relating to the Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this Prospectus, nor any advertisement, nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. None of the Company, the Investment Manager or Jefferies or any of their respective Affiliates or advisers accepts any legal responsibility to any person, whether or not a prospective investor, for any such restrictions.

Prospective investors should read this entire Prospectus and, in particular, the section entitled “Risk Factors” beginning on page 21 when considering an investment in the Company.

This Prospectus is dated 22 November 2018.

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SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A – E (A1 – E7). This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.

<i>Section A – Introduction and warnings</i>		
Element	Disclosure requirement	Disclosure
A1	Warning	<p>This summary should be read as an introduction to this Prospectus. Any decision to invest in the Shares should be based on consideration of this Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Union, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the Shares.</p>
A2	Use of prospectus by financial intermediaries	<p>The Company consents to the use of this Prospectus by Intermediaries in connection with the subsequent resale or final placement of securities by Intermediaries.</p> <p>The offer period within which any subsequent resale or final placement of securities by Intermediaries can be made and for which consent to use this Prospectus is given commences on 22 November 2018 and closes on 21 November 2019.</p> <p>Any Intermediary that uses this Prospectus must state on its website that it uses this Prospectus in accordance with the Company’s consent and the conditions attached thereto. Any application made by investors to any Intermediary is subject to the terms and conditions imposed by each Intermediary.</p> <p>Information on the terms and conditions of any subsequent resale or final placement of Shares by any Intermediary is to be provided at the time of the offer by the Intermediary.</p> <p>The Company accepts responsibility for the information in this Prospectus with respect to any subscriber for Shares pursuant to any subsequent resale or final placement of Shares by Intermediaries. As at the date of this Prospectus, no Intermediaries have been authorised to use this Prospectus.</p>

Section B – Issuer

Element	Disclosure requirement	Disclosure								
B1	Legal and commercial name	SDCL Energy Efficiency Income Trust plc								
B2	Domicile and legal form	The Company was incorporated under the Act in England and Wales as a public limited company on 12 October 2018 with registered number 11620959.								
B5	Group description	The Company will acquire the Seed Portfolio through its wholly owned subsidiary SEEIT HoldCo Limited, a limited liability company incorporated in England and Wales with registered number 11641051.								
B6	Notifiable interests / voting rights	<p>The Seller Funds Manager holds all voting rights in the Company as at the date of this Prospectus. Pending the allotment of Ordinary Shares pursuant to the Initial Issue, the Company is controlled by the Seller Funds Manager.</p> <p>The Directors intend to subscribe for the following Ordinary Shares pursuant to the Initial Issue:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="text-align: right; border-bottom: 1px solid black;">Shares</th> </tr> </thead> <tbody> <tr> <td>Tony Roper</td> <td style="text-align: right;">35,000</td> </tr> <tr> <td>Helen Clarkson</td> <td style="text-align: right;">5,000</td> </tr> <tr> <td>Christopher Knowles</td> <td style="text-align: right;">25,000</td> </tr> </tbody> </table>		Shares	Tony Roper	35,000	Helen Clarkson	5,000	Christopher Knowles	25,000
	Shares									
Tony Roper	35,000									
Helen Clarkson	5,000									
Christopher Knowles	25,000									
B7	Key financial information	Not applicable. The Company is newly incorporated and has no historical financial information.								
B8	Key pro forma financial information	Not applicable. No pro forma information is included in this Prospectus.								
B9	Profit forecast	Not applicable. No profit estimate or forecast has been made for the Company.								
B10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. The Company is newly incorporated and has no historical financial information.								
B11	Explanation if working capital not sufficient for present requirements	Not applicable. The Company is of the opinion that, taking into account the Minimum Net Initial Proceeds, the working capital available to it is sufficient for the present requirements of the Company, that is for at least 12 months from the date of this Prospectus.								
B34	Investment objective and policy	<p>Investment objective</p> <p>The Company's investment objective will be to generate an attractive total return for investors comprising stable dividend income and capital preservation, with the opportunity for capital growth.</p>								

Investment policy

The Company intends to achieve its investment objective by investing principally in a diversified portfolio of Energy Efficiency Projects with high quality, private and public sector Counterparties. The contracts governing these Energy Efficiency Projects will entitle the Company to receive stable, predictable cash flows in respect of predominantly operational Energy Efficiency Equipment installed at Counterparties' premises. The Company's returns will take the form of Contractual Payments by Counterparties in respect of the relevant Energy Efficiency Equipment used by them.

Whilst the Company will invest predominantly in operational Energy Efficiency Projects, the Company may under certain circumstances invest in Energy Efficiency Projects while such projects are in a development phase or construction phase.

In respect of each type of Energy Efficiency Equipment, the Company will seek to diversify its exposure to engineers, manufacturers or other service providers by contracting, where commercially practicable, with a range of different engineers, manufacturers or other service providers.

Energy Efficiency Projects may be acquired individually or as a portfolio from a single or a range of vendors. The Company may also invest in Energy Efficiency Projects jointly with a co-investor. The Company aims to achieve diversification by investing in different energy efficiency technologies and contracting with a wide range of Counterparties.

The Company will invest and manage its Energy Efficiency Projects with the objective of assembling a high quality, diversified Portfolio.

The Company will initially focus its attention on the UK. It is, however, anticipated that the Company will make investments in continental Europe, North America and, potentially, the Asia Pacific region.

Investment restrictions

In order to ensure a spread of investment risk, the Company has adopted the following investment restrictions:

- no Energy Efficiency Project investment by the Company will represent more than 20 per cent. of Gross Asset Value, calculated at the time of investment;
- the aggregate maximum exposure to any Counterparty will not exceed 20 per cent. of Gross Asset Value, calculated at the time of investment;
- at least 25 per cent. of the Gross Asset Value, calculated at the time of investment, will be in respect of Energy Efficiency Equipment based in the UK;
- the aggregate maximum exposure to Energy Efficiency Projects in either a development phase or construction phase will not exceed 35 per cent. of Gross Asset Value, calculated at the time of investment, provided that, of such aggregate amount, the aggregate maximum exposure to Energy Efficiency Projects in a development phase will not exceed 10 per cent. of Gross Asset Value, calculated at the time of investment; and
- the Company will not invest in other UK listed closed-ended investment companies.

		<p><i>Use of derivatives</i></p> <p>The Company may use derivatives for efficient portfolio management but not for investment purposes. In particular, the Company may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases and full or partial foreign exchange hedging to mitigate the risk of currency fluctuations.</p> <p>The Company will only enter into hedging contracts and other derivative contracts when they are available in a timely manner and on terms acceptable to it. The Company reserves the right to terminate any hedging arrangement in its absolute discretion.</p> <p><i>Cash management</i></p> <p>Whilst it is the intention of the Company to be fully or near fully invested in normal market conditions, the Company may hold cash on deposit and may invest in cash equivalent investments, which may include short term investments in money market type funds and tradeable debt securities (“Cash and Cash Equivalents”).</p> <p>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 Equivalent position instead of being fully or near fully invested.</p>
B35	Borrowing limits	<p>The Company will maintain a conservative level of aggregate gearing in the interests of capital efficiency, in order to seek to enhance income returns, long term capital growth and capital flexibility. The Company’s target medium term gearing will be up to 35 per cent. of NAV, calculated at the time of borrowing (the “Structural Gearing”).</p> <p>The Company may also enter into borrowing facilities on a short term basis to finance acquisitions (“Acquisition Finance”), provided that the aggregate consolidated borrowing of the Company and the Project SPVs, including any Structural Gearing, shall not exceed 50 per cent. of NAV, calculated at the time of borrowing. The Company would intend to repay any Acquisition Finance with the proceeds of a Share issue in the short to medium term.</p> <p>Structural Gearing and Acquisition Finance will be employed either at the level of the Company, at the level of the relevant Project SPV or at the level of any intermediate wholly owned subsidiary of the Company and any limits set out in this Prospectus shall apply on a consolidated basis across the Company, the Project SPVs and such intermediate holding company. It is expected that Structural Gearing and Acquisition Finance will primarily comprise bank borrowings, though small overdraft facilities may be utilised for flexibility in corporate actions.</p>
B36	Regulatory status	<p>The Company operates under the Act and is not regulated as a collective investment scheme by the FCA. The Company intends to conduct its affairs so as to qualify, at all times, as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010.</p>
B37	Typical investors	<p>The Shares are only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in the Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to</p>

		assume the risks involved in such an investment portfolio. Typical investors in the Company are expected to be institutional and sophisticated investors, professional investors, high net worth investors and advised individual investors who understand the risks involved in investing in the Company and/or who have received advice from their fund manager, broker or an independent financial adviser regarding any investment in the Company.
B38	Investment of 20 per cent. or more in single underlying asset or investment company	Not applicable. The Company does not expect to have more than 20 per cent. of its Gross Asset Value invested in a single underlying asset or in one or more collective investment undertakings which may in turn invest more than 20 per cent. of their gross assets in other collective undertakings, nor does it expect to have more than 20 per cent. of its Gross Asset Value exposed to the creditworthiness of any one Counterparty.
B39	Investment of 40 per cent. or more in an investment company	Not applicable. The Company does not expect to have more than 40 per cent. of its Gross Asset Value invested in one or more collective investment undertakings.
B40	Applicant's service providers	<p>Investment Manager</p> <p>Sustainable Development Capital LLP has been appointed as the Company's investment manager and AIFM pursuant to the Investment Management Agreement, with responsibility for the discretionary portfolio management and risk management functions for the Company, and to advise the Company on a day-to-day basis, in accordance with the investment policy of the Company, subject to the overall policies, supervision, review and control of the Board. Under the terms of the Investment Management Agreement and with effect from Initial Admission, the Investment Manager will be entitled to a fee calculated at the rate of:</p> <ul style="list-style-type: none"> • 0.9 per cent. per annum of the Adjusted NAV in respect of the Net Asset Value of up to, and including, £750 million; and • 0.8 per cent. per annum of the Adjusted NAV in respect of the Net Asset Value in excess of £750 million (the "Investment Management Fee"). <p>The Investment Management Fee is calculated and accrues monthly and shall be invoiced monthly in arrear.</p> <p>Depositary</p> <p>Sanne Group Administration Services (UK) Limited has been appointed as the depositary of the Company pursuant to the Depositary Agreement with the Company and the Investment Manager. As depositary of the Company, it will perform those duties prescribed under the AIFM Directive. These include safekeeping of the Company's assets, cash monitoring and oversight. The Depositary is entitled to an annual fee of £35,000.</p> <p>Administrator and Company Secretary</p> <p>Sanne Group (UK) Limited ("Sanne") has been appointed as Administrator and Company Secretary of the Company pursuant to the Company Secretary and Administration Services Agreement. Under the terms of the Company Secretary and Administration Services Agreement, Sanne is entitled to an annual fee of £115,000 (exclusive of any applicable VAT and together with certain variable fees for additional services or corporate actions of the Company), in respect of its role as Company Secretary and the Administrator, payable quarterly in arrear in equal instalments. If Sanne incurs</p>

		<p>expenses and disbursements, provided that these are reasonably incurred in relation to the provision of the services under the Company Secretary and Administration Services Agreement, Sanne shall invoice the Company for such amounts and the Company shall pay the invoice within 30 days of the date of invoice.</p> <p>Registrar</p> <p>Computershare Investor Services PLC has been appointed as the Company's Registrar pursuant to the Registrar Services Agreement. The Registrar will be responsible for the maintenance of the Company's register of members, dealing with routine correspondence and enquiries, and the performance of all the usual duties of a registrar in relation to the Company. The Registrar is entitled to a monthly maintenance fee per Shareholder account, subject to a minimum annual fee of £4,800. The fees are subject to increase in line with the CPI. The Registrar is also entitled to levy certain charges on a per item basis, and to reimbursement of all reasonable out of pocket expenses incurred in connection with the provision of services under the Registrar Services Agreement.</p> <p>Receiving Agent</p> <p>Computershare Investor Services PLC has been appointed as the Company's Receiving Agent in connection with the Initial Issue pursuant to the Receiving Agent Services Agreement. The Receiving Agent is entitled to a project fee for services provided in respect of the Initial Issue.</p> <p>Auditor</p> <p>PricewaterhouseCoopers LLP has been appointed as the Company's auditor and is entitled to receive annual fees of £145,000. PricewaterhouseCoopers LLP is independent of the Company and is registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales. The auditor's responsibility is to audit and express an opinion on the financial statements of the Company in accordance with applicable law and auditing standards. The annual report and accounts will be prepared in accordance with IFRS.</p>
B41	Regulatory status of investment manager, investment adviser and custodian	<p>Investment Manager</p> <p>The Investment Manager is authorised and regulated by the FCA as a full-scope alternative investment fund manager for the purposes of the AIFM Directive.</p> <p>Depositary</p> <p>The Depositary is authorised by the FCA for the purpose of providing depositary services.</p>
B42	Calculation of Net Asset Value	An unaudited Net Asset Value and the Net Asset Value per Share will be calculated in Sterling by the Administrator on a semi-annual basis. These will be notified through a Regulatory Information Service and will also be published on the Company's website at www.sdcleit.com .
B43	Cross liability	Not applicable. The Company is not an umbrella collective investment undertaking.
B44	No financial statements have been made up	The Company is newly incorporated and has no historical financial information.

Save for its entry into certain material contracts and non-material contracts, since its incorporation the Company has not commenced operations, has not declared any dividend and no financial statements have been made up.

B45 Portfolio

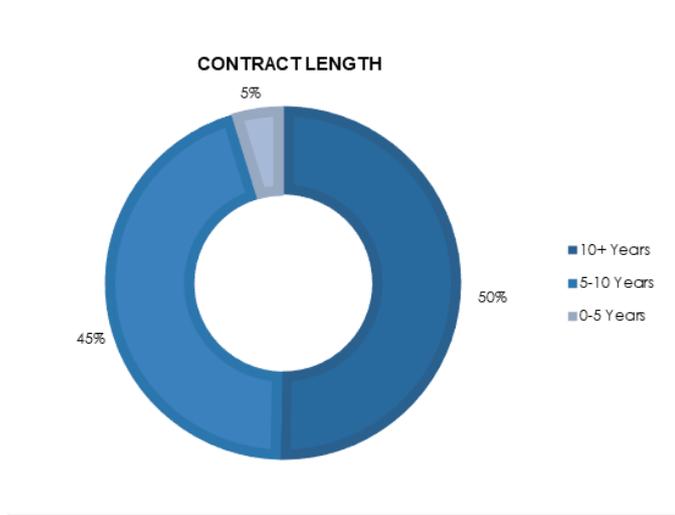
Not applicable. The Company is newly incorporated and does not hold any assets as at the date of this Prospectus.

The Company will acquire the Seed Portfolio on Initial Admission, conditional upon the Minimum Gross Initial Proceeds being raised pursuant to the Initial Issue. The Seed Portfolio will be acquired pursuant to the terms of the Acquisition Agreement.

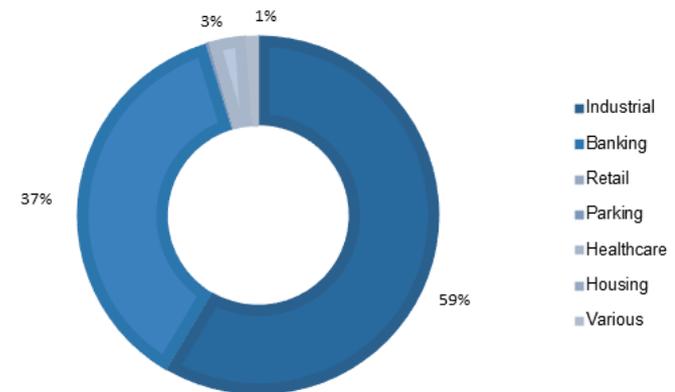
The Seed Portfolio comprises nine Energy Efficiency Projects, diversified across various sectors plus three contracted Investment Opportunities with identified Counterparties totalling £30 million, which have not yet been drawn down.

A breakdown of the nine Energy Efficiency Projects in the Seed Portfolio by contract length, sector and Energy Efficiency Equipment is illustrated by the charts below.

CONTRACT LENGTH



SECTOR



		<p>ENERGY EFFICIENCY EQUIPMENT</p> <p>39% Lighting 9% CHP 26% Gas boilers 25% Biomass 1% Various/Others</p>
B46	Net Asset Value	Not applicable. The Company has not commenced operations and so has no Net Asset Value as at the date of this Prospectus.

Section C – Securities

Element	Disclosure requirement	Disclosure									
C1	Type and class of securities	<p>The shares being offered under the Initial Issue are ordinary shares with a nominal value of £0.01 in the capital of the Company. Applications will be made for the Shares issued pursuant to the Initial Issue (or any Subsequent Issue made under the Share Issuance Programme) to be admitted to listing to the premium listing category of the Official List and to be admitted to trading on the premium segment of the Main Market.</p> <p>The ISIN of the Ordinary Shares is GB00BGHVZM47 and the SEDOL is BGHVZM4. The ticker symbol of the Company is SEIT. Each class of C Shares issued pursuant to a Subsequent Issue made throughout the Share Issuance Programme will have separate ISINs, SEDOLs and ticker symbols issued. The announcement of each Issue of C Shares will contain details of the relevant ISIN, SEDOL and ticker symbol for such class of C Shares being issued.</p>									
C2	Currency of the securities issue	Sterling.									
C3	Number of securities in issue	<p>The following table shows the issued share capital of the Company as at the date of this Prospectus:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: right;"><u>Nominal Value (£)</u></th> <th style="text-align: right;"><u>Number</u></th> </tr> </thead> <tbody> <tr> <td>Ordinary Shares</td> <td style="text-align: right;">0.01</td> <td style="text-align: right;">1</td> </tr> <tr> <td>Redeemable Preference Shares</td> <td style="text-align: right;">0.01</td> <td style="text-align: right;">5,000,000</td> </tr> </tbody> </table>		<u>Nominal Value (£)</u>	<u>Number</u>	Ordinary Shares	0.01	1	Redeemable Preference Shares	0.01	5,000,000
	<u>Nominal Value (£)</u>	<u>Number</u>									
Ordinary Shares	0.01	1									
Redeemable Preference Shares	0.01	5,000,000									
C4	Description of the rights attaching to the securities	<p><i>Life</i></p> <p>The Company has been established with an unlimited life.</p>									

Variation of rights

The consent of a class of Shareholders will be required for the variation of any rights attached to that class of Shares.

Until Conversion, the consent of: (i) the holders of each tranche of C Shares as a class; and (ii) the holders of the Ordinary Shares as a class shall be required to:

- (a) make any alteration to the memorandum of association or the articles of association of the Company; or
- (b) pass any resolution to wind up the Company,

and accordingly the special rights attached to the C Shares of such tranche and the Ordinary Shares shall be deemed to be varied if such consents are not obtained.

Dividends

Subject to the provisions of the Act and the Articles, the Directors may by ordinary resolution declare dividends. No dividends shall exceed the amount recommended by the Board. Subject to the provisions of the Act and the Articles, the Directors may pay interim dividends, or dividends payable at a fixed rate, if it appears to them that such dividends are justified by the profits of the Company available for distribution.

Subject to the provisions of the Act and the Articles, all dividends shall be declared and paid according to the amounts paid up on the Shares on which the dividend is paid. If any Share is issued on terms that it ranks for dividend as at a particular date, it shall rank for dividend accordingly. In any other case, dividends shall be apportioned and paid proportionately to the amount paid up on the Shares during any portion(s) of the period in respect of which the dividend is paid.

Holders of any class of C Shares will be entitled to receive such dividends 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.

Distribution of assets on a winding up

If the Company is wound up, the liquidator may, with the sanction of a special resolution and any other sanction required by law and subject to the Act, divide among the Shareholders, in specie, the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Shareholders as the liquidator may with the like sanction determine, but no Shareholder shall be compelled to accept any assets upon which there is a liability.

Voting rights

Subject to the below and any rights or restrictions attached to any class of Shares, on a show of hands every Shareholder present in person at a meeting has one vote and every proxy present who has been duly appointed by a Shareholder entitled to vote has one vote, and on a poll every Shareholder (whether present in person or by proxy) has one vote for every Share of which they are the holder. A Shareholder entitled to more than one vote need not, if they vote, use all their votes or cast all the votes they use the same way. In the case of joint holders, the vote of the senior who tenders a vote shall

		<p>be accepted to the exclusion of the vote of the other joint holders, and seniority shall be determined by the order in which the names of the holders appear in the Register.</p> <p>No Shareholder shall have any right to vote at any general meeting or at any separate meeting of the holders of any class of Shares, either in person or by proxy, in respect of any Share held by them unless all amounts presently payable by them in respect of that Share have been paid.</p>
C5	Restrictions on the free transferability of the securities	<p>In their absolute discretion, the Directors may refuse to register the transfer of a Share in certificated form which is not fully paid provided that, if the Share is traded on a regulated market, such refusal does not prevent dealings in the Shares from taking place on an open and proper basis. The Directors may also refuse to register a transfer of a Share in certificated form unless the instrument of transfer:</p> <ul style="list-style-type: none"> ● is lodged, duly stamped, at the registered office of the Company or such other place as the Directors may appoint and is accompanied by the certificate for the Share to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and/or the transferee to receive the transfer (including such written certifications in form and substance satisfactory to the Company as the Directors may determine in accordance with applicable law); ● is in respect of only one class of Share; ● is not in favour of more than four transferees; and ● the transfer is not in favour of any Non-Qualified Holder. <p>The Directors may refuse to register a transfer of a Share in uncertificated form to a person who is to hold it thereafter in certificated form in any case where the Company is entitled to refuse (or is excepted from the requirement) under the CREST Regulations to register the transfer.</p> <p>Further, the Directors may, in their absolute discretion, decline to transfer, convert or register any transfer of Shares to any person: (i) whose ownership of Shares may cause the Company's assets to be deemed "plan assets" for the purposes of ERISA or the US Tax Code; (ii) whose ownership of Shares may cause the Company to be required to register as an "investment company" under the Investment Company Act or to lose an exemption or a status thereunder to which it might otherwise be entitled (including because the holder of Shares is not a "qualified purchaser" as defined in the Investment Company Act); (iii) whose ownership of Shares may cause the Company to be required to register under the Exchange Act or any similar legislation; (iv) whose ownership of Shares may cause the Company to be a "controlled foreign corporation" for the purposes of the US Tax Code, or may cause the Company to suffer any pecuniary disadvantage (including any excise tax, penalties or liabilities under ERISA or the US Tax Code); (v) whose ownership of Shares may cause the Company to cease to be considered a "foreign private issuer" for the purposes of the Securities Act or the Exchange Act; or (vi) whose ownership of Shares would or might result in the Company not being able to satisfy its obligations on the Common Reporting Standard developed by the Organisation for Economic Co-Operation and Development or such similar reporting obligations on account of,</p>

		inter alia, non-compliance by such person with any information request made by the Company, (each person described in (i) to (vi) above, being a “ Non-Qualified Holder ”).
C6	Admission to trading on a regulated market	Applications will be made to each of the UK Listing Authority and the London Stock Exchange for the Ordinary Shares to be issued pursuant to the Initial Issue (and for any Shares issued pursuant to any Subsequent Issue) to be admitted to listing on the premium listing category of the Official List under Chapter 15 of the Listing Rules and to trading on the premium segment of the Main Market.
C7	Dividend policy	<p>Whilst not forming part of the investment policy, the Company will aim to deliver, on a fully invested and geared basis:</p> <ul style="list-style-type: none"> • an initial target annual dividend yield of 5.0 per cent. by reference to the Initial Issue Price, rising to 5.5 per cent. in the year ending 31 March 2021, and a growing yield thereafter; and • a target net total return of 7.0 to 8.0 per cent. per annum (net of fees and expenses) by reference to the Initial Issue Price, which the Company will seek to achieve through active management of its Portfolio, prudent levels of leverage and reinvestment of excess cash flows. <p>It is the Company’s intention to pay interim dividends to Ordinary Shareholders on a six-monthly basis. However, the Directors expect to declare an initial interim dividend in relation to the period from Initial Admission to 31 March 2019.</p> <p>Holders of any class of C Shares will be entitled to participate in any dividends and other 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.</p> <p>The Company intends to comply with the requirements for maintaining investment trust status for the purposes of section 1158 of the Corporation Tax Act 2010 regarding distributable income. The Company will therefore distribute income such that it does not retain in respect of an accounting period an amount greater than 15 per cent. of its income (as calculated for UK tax purposes) for that period.</p>

Section D – Risks

Element	Disclosure requirement	Disclosure
D1	Key information on the key risks specific to the issuer or its industry	<p>The key risk factors relating to the Company and its investment policy are set out below.</p> <ul style="list-style-type: none"> • The Company is newly established and has no operating history. Accordingly, there are no historical financial statements or other meaningful operating or financial data with which to evaluate the Company and its performance. • The Company has no employees and the Directors have been appointed on a non-executive basis so the Company is reliant upon the performance of third party service providers for its executive functions. • There can be no assurance that the Company will achieve its investment objective or that investors will get back the full value of their investment.

		<ul style="list-style-type: none"> ● The Company will be exposed to the risk of Counterparties being unable or otherwise failing to honour their Contractual Payment obligations resulting in the Company receiving lower returns than projected. ● There is unlikely to be a liquid market in Energy Efficiency Projects and it may not be possible for the Company to sell the Energy Efficiency Projects to a third party. ● There is no single standard for determining fair value and, in many cases, fair value is best expressed as a range of fair values from which a single estimate may be derived. Accordingly, Net Asset Value figures issued by the Company should be regarded as indicative only. ● The Company cannot ensure that the due diligence carried out by the Investment Manager (or the Company's other service providers) with respect to the Seed Portfolio or other future acquisitions will reveal all relevant facts that may be necessary or helpful to evaluate the investment opportunity. The Company may be exposed to the risk of acquiring inappropriate Energy Efficiency Projects or making investments at a value higher than their fair value. ● The Energy Efficiency Projects comprising the Seed Portfolio and the Pipeline Projects may be based predominantly in a relatively small number of countries across the UK and continental Europe. Exposure to a small number of countries is generally considered a higher risk investment strategy than investing more widely ● The Company may be exposed to losses which are in excess of insurance proceeds or arising from uninsurable events, which would affect the Company's financial position. ● The Company is likely to have investments denominated in currencies other than Sterling, particularly US Dollars and Euro. The Company will therefore be exposed to foreign exchange risk. ● The Company may invest in Energy Efficiency Projects in a number of jurisdictions, and accordingly be exposed to risks of any legal barriers in such foreign jurisdictions. ● The Company will maintain a conservative level of aggregate gearing in the interests of capital efficiency, in order to seek to enhance income returns, long term capital growth and capital flexibility. The use of gearing may increase losses or the risk of default on debt servicing obligations and insolvency. ● The Company may engage in derivative transactions in limited circumstances for the purposes of hedging. Accordingly, this exposes the company to the volatility of derivative transactions. ● It is possible that new Energy Efficiency Projects entered into by the Company could be in construction phases. Should completion of the project overrun (both in terms of time and budget), there is a risk that payments may be required to be made to (or withheld by) a Counterparty. ● The Energy Efficiency Equipment installed at the Counterparty's premises may fail, may not be properly or adequately maintained or may otherwise underperform, which could give rise to remediation rights of the Counterparty under the relevant Energy Efficiency Project.
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		<ul style="list-style-type: none"> ● The Company may invest in Energy Efficiency Projects indirectly through Project SPVs. This exposes the Company to certain risks associated with the vehicles as a whole. ● Counterparties may terminate Energy Efficient Projects early, which would expose the Company to the risk of not making an adequate return. ● Contractual arrangements that the Company enters into may include provisions enabling Counterparties to reduce the quantum of the Contractual Payments, which exposes the Company to the risk of not making an adequate return. ● Certain Energy Efficiency Equipment, such as biomass boilers and CHP units, require fuel or “feedstock” in order to operate. Accordingly, performance of certain contractual arrangements will be subject to feedstock availability. ● For some Energy Efficient Projects it will be necessary for the Company to take a lease of a part of the Counterparty’s premises. The Company may be exposed to delays in performance where a lease cannot be obtained. ● Energy Efficiency Equipment may not always be owned by the Company or relevant Project SPV. Accordingly, the Company is exposed to a lack of control of the maintenance and operation of the Energy Efficiency Equipment. ● The EPC Contractors and O&M Contractors may be required to obtain approvals and licences in connection with the installation or maintenance of the Energy Efficiency Equipment. This exposes the Company to risks in relation to the performance of contractual arrangements where such parties do not obtain the necessary approvals and there are delays. ● The success of the Company is dependent on, inter alia, the Investment Manager and its expertise, key personnel, and ability to source and advise appropriately on investments and there can be no assurance that the Investment Manager will be able to source suitable investments at prices which the Investment Manager considers to be attractive. ● The Investment Manager’s information and technology systems may be vulnerable to cyber security breaches and there is a risk of identity theft. Accordingly, the Company may be exposed to data protection related liabilities. ● The Investment Manager may be involved in other financial, investment or professional activities that may give rise to conflicts of interest with the Company.
D3	Key information on the key risks specific to the securities.	<p>The key risk factors relating to the Shares are as follows:</p> <ul style="list-style-type: none"> ● Investors may not recover the full amount of their investment in the Shares. ● It is unlikely that the price at which the Shares trade will be the same as their Net Asset Value (although they are related). As a result of this, investors who dispose of their interests in the Shares in the secondary market may realise returns that are lower than they would have if an amount equivalent to the Net Asset Value was distributed. ● It may be difficult for Shareholders to realise their investment as there may not be a liquid market in the Shares and

		<p>Shareholders have no right to have their Shares redeemed or repurchased by the Company.</p> <ul style="list-style-type: none"> • The Company will not conduct buybacks of any class of C Shares prior to Conversion, which means that, until Conversion, the C Shares may suffer greater volatility in discounts and may be more illiquid than the Ordinary Shares. • The Company may decide to issue further Shares in the future. Any such issue may dilute the percentage of the Company held by the Company's existing Shareholders. Additionally, such issues could have an adverse effect on the market price of the Shares. • The Shares are subject to transfer restrictions and forced transfer provisions for investors in the United States and certain other jurisdictions.
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Section E – Offer

Element	Disclosure requirement	Disclosure
E1	The total net proceeds and an estimate of the total expenses of the issue/offer, including estimated expenses charged to the investor by the issuer or the offeror	<p>The formation and initial expenses of the Company are those that are necessary for the establishment of the Company, the Initial Issue and Initial Admission (“Initial Expenses”). These Initial Expenses (which include commission and expenses payable under the Share Issuance Agreement, registration, listing and admission fees, printing, advertising and distribution costs and professional advisory fees, including legal fees, and any other applicable expenses) are capped at 2 per cent. of the Gross Initial Proceeds. Accordingly, on Initial Admission, the opening NAV per Ordinary Share will be 98 pence and, on the basis that the Gross Initial Proceeds are £150 million, the Net Initial Proceeds will be £147 million.</p> <p>To the extent that the Initial Expenses exceed 2 per cent. of the Gross Initial Proceeds, the Investment Manager will bear such excess such that the opening NAV of the Company will not fall below 98 pence.</p>
E2a	Reasons for the offer and use of proceeds	The Directors intend to use the Net Issue Proceeds, less amounts required for working capital purposes, to acquire investments (including the Seed Portfolio) in accordance with the Company's investment objective and investment policy. The Initial Issue and the Share Issuance Programme are being made in order to provide investors with the opportunity to invest in a diversified portfolio of investments through the medium of an investment trust.
E3	Terms and Conditions of the Offer	<p>In this Prospectus, the issue of Ordinary Shares pursuant to the Initial Placing and the Offer is referred to as the “Initial Issue”. The Company may issue up to 200 million Ordinary Shares through the Initial Issue at the initial Issue Price of £1.00 per Ordinary Share. This maximum Initial Issue size should not be taken as an indication of the number of Ordinary Shares to be issued. None of the Initial Issue or any Subsequent Issue is being underwritten.</p> <p>On the basis that the Gross Initial Proceeds are £150 million, the Initial Expenses will be capped at £3 million and the Net Initial Proceeds will be £147 million.</p>

		<p>If the timetable for the Initial Placing and the Offer is amended, the revised timetable will be notified through a Regulatory Information Service.</p> <p>It is expected that the results of the Initial Issue will be notified through a Regulatory Information Service on or around 6 December 2018, or such later date (no later than the Long Stop Date) as the Company and Jefferies may agree.</p> <p>The Initial Issue is conditional on:</p> <ul style="list-style-type: none"> ● the Share Issuance Agreement becoming unconditional in all respects (save for any condition relating to Initial Admission) and not having been terminated on or before the date of Initial Admission; ● Initial Admission occurring by 8.00 a.m. (London time) on 11 December 2018 (or such other date, not being later than the Long Stop Date, as the Company and Jefferies may agree); and ● the Minimum Gross Initial Proceeds being raised. <p>The latest time and date for placing commitments under the Initial Placing is 3.00 p.m. on 5 December 2018.</p> <p>The latest time and date for receipt of applications under the Offer is 11.00 a.m. on 5 December 2018.</p> <p>Share Issuance Programme</p> <p>Following completion of the Initial Issue, the Directors may, at their sole and absolute discretion, decide to carry out one or more Subsequent Issues before the Final Closing Date, should the Board determine that market conditions are appropriate. Any such Subsequent Issues may comprise the issue of Ordinary Shares and/or C Shares,</p> <p>The publication of the Share Issuance Price in respect of each Subsequent Placing, Subsequent Admission and crediting of CREST accounts in respect of each Subsequent Placing, and share certificates in respect of Shares to be issued pursuant to the Share Issuance Programme dispatched (if applicable) will be completed as soon as practicable following the closing of each Subsequent Placing.</p> <p>Each Subsequent Issue pursuant to the Share Issuance Programme is conditional on:</p> <ul style="list-style-type: none"> ● the relevant Subsequent Admission occurring and becoming effective by 8.00 a.m. (London time) on such date as the Company specifies, not being later than the Final Closing Date; ● in respect of the issue of Ordinary Shares, the relevant Share Issuance Price being agreed between the Company and Jefferies; ● a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules; and ● the Share Issuance Agreement not having been terminated on or before the date of the relevant Subsequent Issue having become unconditional (save for any condition relating to the relevant Subsequent Admission).
E4	Material interests	Not applicable. No interest is material to the Initial Issue.

E5	Name of person or entity offering to sell securities and lock-up agreements	Not applicable. There are no selling entities or lock-up agreements.
E6	Dilution	Not applicable. This is an initial offering.
E7	Estimated expenses charged to the investor by the issuer or the offeror	Not applicable. No expenses will be charged directly to investors by the Company in connection with the establishment of the Company, the Initial Issue, Initial Admission or any Subsequent Issue.

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 Prospectus, the following specific factors should be considered when deciding whether to make an investment in the Shares. The risks set out below are those which are considered to be the material risks relating to an investment in the Shares but are not the only risks relating to Shares or the Company. No assurance can be given that the Shareholders will realise profit on, or recover the value of, their investment in the Shares, or that the Company will achieve any of its anticipated returns. It should be remembered that the price of securities and the income from them can go down as well as up.

The success of the Company will depend on the ability of the Investment Manager to successfully pursue the investment policy of the Company, broader market conditions and the risk factors set out in this section.

Additional risks and uncertainties of which the Company is presently unaware or that the Company currently believes are immaterial may also adversely affect its business, financial condition, results of operations and the value of the Shares.

Prospective investors should note that the risks relating to the Company, its investment strategy and the Shares summarised in the section of this Prospectus 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 Prospectus headed "Summary" but also, inter alia, the risks and uncertainties described in this "Risk Factors" section of this Prospectus. 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 Prospectus may also have a material adverse effect on the Company's financial condition, business, prospects and results of operations and, consequently, the Company's NAV and/or the market price of the Shares.

The Shares are only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in the Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment portfolio. Typical investors in the Company are expected to be institutional and sophisticated investors, professional investors, high net worth investors and advised individual investors who understand the risks involved in investing in the Company and/or who have received advice from their fund manager, broker or an independent financial adviser regarding any investment in the Company.

Potential investors in the Shares should review this Prospectus carefully and in its entirety and consult with their professional advisers before purchasing Shares. In particular, prospective investors should note that the risks relating to the Energy Efficiency Projects do not necessarily apply to each Energy Efficiency Project. As can be seen from paragraph 7 (Seed Portfolio) of Part II (Industry Overview, Investment Opportunity and Seed Portfolio) of this Prospectus, the nature, terms, structure and characteristics of each of the Seed Projects (and indeed any new Energy Efficiency Project) vary significantly between each asset. The risks relating to Energy Efficiency Projects generally and the Seed Portfolio should be read in conjunction with the provisions of this Prospectus related to the Energy Efficiency Projects generally and the Seed Portfolio.

RISKS RELATING TO THE COMPANY

The Company has no operating history

The Company is newly established and has no operating history. Accordingly, there are no historical financial statements or other meaningful operating or financial data with which to evaluate the Company and its performance. An investment in the Company is subject to all of the risks and uncertainties associated with a new business, which could have an adverse effect on the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares.

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

The Company has no employees and the Directors have been appointed on a non-executive basis. Whilst the Company has taken all reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations, the Company is reliant upon the performance of third party service providers for its executive functions. In particular, the Investment Manager, the Administrator, the Registrar and the Depositary 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 or the termination of these agreements could have an adverse effect on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares.

RISKS RELATING TO THE INVESTMENT POLICY

There can be no assurance that the Company will achieve its investment objective or that investors will get back the full value of their investment

The success of the Company will depend on the ability of the Investment Manager to pursue the Company's investment policy successfully and on broader market conditions as discussed elsewhere in this Prospectus. There can be no assurance that the Investment Manager will be successful in pursuing the Company's investment policy or that the Investment Manager will be able to invest the Company's assets on attractive terms, generate any investment returns for the Company's investors or avoid investment losses.

The investment objective of the Company is an objective only and should not be treated as an assurance or guarantee of performance. There is no assurance that any appreciation in the value of the Shares will occur or that the investment objective of the Company will be achieved. Failure to achieve the Company's investment objective could occur as a result of failure to acquire Energy Efficiency Projects matching the characteristics described in this Prospectus, or that the Energy Efficiency Projects acquired do not deliver returns consistent with the investment objective. In either case, such failure is likely to have an adverse effect on the value of the Portfolio, the Company's financial condition, and the results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

The Company may fail to deliver its target returns

The Company's expectation that it will generate returns for its investors is based on assumptions about market conditions, the economic environment and the availability and performance of the Company's investments (including the performance and reliability of the Energy Efficiency Equipment), which may not prove to be accurate in the future. There can be no assurance that the Company will be able to deliver returns, as such ability could be adversely affected by any of a number of factors, including: changes in the industry in which the Company operates, exchange rates or government regulations; the non- or under-performance of any of the Company's investments; and the manifestation of risks described elsewhere in this Prospectus. Should any investment fail to generate its projected returns, this could have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

The Company's Counterparties could fail to make Contractual Payments or suffer an insolvency event

The Company expects to derive revenue and any capital growth through Energy Efficiency Projects with Counterparties. There can be no assurance that a Counterparty will honour its Contractual Payment obligations in respect of the relevant Energy Efficiency Project. Further, the relevant contract governing an Energy Efficiency Project may be terminated prior to the expiration of the relevant term due to an event of insolvency of the relevant Counterparty. The Investment Manager will seek to mitigate the Company's exposure to such risk through carrying out qualitative and quantitative due diligence on the creditworthiness of the Counterparties and, where considered appropriate, requesting a parent company guarantee or insisting on other contractual protections to be included in respect of the relevant Energy Efficiency Project. Despite the steps taken by the Investment Manager, there is no assurance that the relevant Counterparty will continue to make the Contractual Payments or that a Counterparty (or its provider of a parent company guarantee) will not suffer an insolvency event during the term of the Energy Efficiency Project. The failure by

a Counterparty to pay the Contractual Payments or the early termination of an Energy Efficiency Project due to insolvency may substantially affect the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

Investment in Energy Efficiency Projects is highly illiquid and the Company has limited ability to exit

The Company expects to enter into new Energy Efficiency Projects ranging in term from approximately 3 years to 20 years. The Energy Efficiency Projects that comprise the Seed Portfolio range in term from approximately 2 years to 17 years. In the event that the Company determines that it is desirable to dispose of an Energy Efficiency Project (whether due to a change in financial markets, in order to realise cash for working capital purposes or otherwise), there is unlikely to be a liquid market in Energy Efficiency Projects and it may not be possible for the Company to sell the Energy Efficiency Projects to a third party. The inability of the Company to exit an Energy Efficiency Project in good time or for a price that it considers to represent the fair value of such investment prior to the expiration of the term of the Energy Efficiency Project could have an adverse effect on the value of the Portfolio, the Company's financial condition, prospects and results of operations, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

Valuation of investments in Energy Efficiency Projects is inherently subjective and uncertain

The Company intends to publish semi-annual Net Asset Value figures in Sterling. The valuations used to calculate the Net Asset Value will be based on the Investment Manager's estimated market values of the Company's investments, which shall be reviewed by the Company's auditor at each valuation date. It should be noted that such estimates may vary (in some cases materially) from the results published in the Company's financial statements (as the figures are published at different times) and that they, and any Net Asset Value figure published, may vary (in some cases materially) from the values that are ultimately realised throughout the life of those investments (being the "realisable" value).

Accordingly, Net Asset Value figures issued by the Company should be regarded as indicative only and investors should be aware that the "realisable" Net Asset Value per Share may be materially different from those figures. There is no single standard for determining fair value and, in many cases, fair value is best expressed as a range of fair values from which a single estimate may be derived. The types of factors that may be considered when applying fair value pricing to an investment include: latest applicable legal, financial, technical and insurance due diligence; cash flows which are contractually required or assumed in order to generate the returns; project performance against time, activity and other milestones; credit worthiness of a Counterparty and delivery partner counterparties (including EPC Contractors, O&M Contractors and other subcontractors); changes to the economic, legal, taxation or regulatory environment; claims or other disputes or contractual uncertainties; and changes to revenue and cost assumptions.

The Company has appointed Grant Thornton to carry out valuations of the Seed Portfolio and any new Energy Efficiency Projects acquired by the Company at the time of its acquisition, and the valuations will be reviewed by the Company's auditor on an ongoing basis. However, valuations of investments for which market prices are not readily available may fluctuate over short periods of time and are based on estimates. Determinations of fair value of the Seed Portfolio or Energy Efficiency Projects generally may therefore differ materially from the values that would have resulted if a ready market had existed for those Energy Efficiency Projects or Seed Projects. Even if market prices are available for the Company's investments in Energy Efficiency Projects or Seed Projects, such prices may not reflect the value that the Company would be able to realise in respect of those investments because of various factors, including illiquidity in the market for Energy Efficiency Projects or Seed Projects, future market price volatility, or the potential for a future loss in market value due to poor industry conditions.

Given that the Company gives no assurance as to the values that the Company records from time to time, it is possible that the Company may record materially higher values in respect of its investments than the values that are ultimately realised throughout the life of those investments. In such cases, the Company's NAV will be adversely affected. Changes in values attributed to investments during each six month period may result in volatility in the NAVs that the Company reports from period to period. Such adverse effects, or volatility in the value of the Portfolio, could adversely affect the returns to Shareholders or the market value of the Shares.

The due diligence process that the Investment Manager intends to undertake in evaluating the Seed Portfolio and future acquisitions of Energy Efficiency Projects may not reveal all facts that may be relevant in connection with such investments

The objective of the due diligence process undertaken in relation to the Seed Portfolio and to be undertaken in relation to the Energy Efficiency Projects is to identify issues which might affect an investment decision, or the price as which an investment is acquired. When conducting due diligence and making such assessments, the Company and the Investment Manager will be required to rely on the resources available to it, including the information disclosed to it (whether provided by internal or external sources). The due diligence process may at times be required to rely on incomplete information.

Investments will be selected in part on the basis of third party information and data. Although the Company and the Investment Manager will evaluate all such information and data and seek independent corroboration (for example through the use of technical or financial due diligence) where it considers it appropriate and necessary to do so, the Company and the Investment Manager may not be in a position to confirm the completeness, genuineness or accuracy of such information.

Further, investment analysis and decisions may be undertaken on an expedited basis in order to make it possible for the Company to take advantage of investment opportunities that have a short window of availability. In such cases, the available information at the time of an investment decision may be limited, inaccurate and/or incomplete. Furthermore, the Company and the Investment Manager may not have sufficient time to evaluation fully such information available to them.

The value of the investments made by the Company may be affected by fraud, misrepresentation or omission. Such fraud, misrepresentation or omission may increase the likelihood of underperformance of the Seed Portfolio or the Energy Efficiency Projects, or in the relevant Counterparty failing to make the Contractual Payments related to the project.

The failure to identify risks and liabilities during the due diligence process could result in the Company failing to obtain the appropriate warranties and indemnities in the acquisition agreement pertaining to the investment, or failing to secure insurance to cover the occurrence of such potential risks or liabilities, or both.

Further, the Company will be required to bear the costs incurred by the Investment Manager in connection with the due diligence process carried out in respect of an acquisition of an Energy Efficiency Project, irrespective of whether or not the Company successfully completes such acquisition.

Accordingly, due to a number of factors, the Company cannot guarantee that the due diligence carried out by the Investment Manager or the Company's other service providers with respect to the Seed Portfolio or any investment in an Energy Efficiency Project will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment. Any failure by the Investment Manager or any of the Company's other service providers to identify relevant facts through the due diligence process may result in inappropriate Energy Efficiency Projects being acquired, or Energy Efficiency Projects being acquired at a higher value than their fair value, which may substantially affect the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

The Company's Seed Portfolio and Pipeline Projects may be concentrated in a relatively small number of countries

The Energy Efficiency Projects comprising the Seed Portfolio and the Pipeline Projects may be based predominantly in a relatively small number of countries across the UK and continental Europe. Exposure to a small number of countries is generally considered a higher risk investment strategy than investing more widely, as it exposes the Company to the fluctuations of a narrow range of geographical markets and currencies, in this case the UK and continental European market and Sterling and the Euro. The Seed Portfolio, which will comprise the Company's Portfolio at Initial Admission, is entirely concentrated in the UK.

The Company's significant exposure to these markets and currencies would magnify the adverse effect that any adverse changes in these markets and/or currencies would have on the returns realised by the Company from the Portfolio, the Company's financial condition, results of operations

and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The Company may suffer losses in excess of insurance proceeds, if any, or from uninsurable events

The Seed Portfolio or other Energy Efficiency Projects acquired by the Company may suffer underperformance, contain latent defects or other liabilities of which the Company was not aware at the time of acquisition or suffer other operational losses during the term of such project, which may not be compensated for by insurance (including any warranties and indemnities insurance obtained by the Company in connection with the acquisition), either fully or at all. In addition, there are certain types of losses that may be uninsurable or are not economically insurable. Inflation, environmental or regulatory considerations and other factors might also result in insurance proceeds being unavailable or insufficient to cover all losses suffered by the Company in connection with such Energy Efficiency Project. Should an uninsured loss or a loss in excess of insured limits occur, the Company may lose capital invested in the affected Energy Efficiency Project as well as anticipated future revenue from that Energy Efficiency Project. In addition, the Company could be liable to Counterparties, EPC Contractors or O&M Contractors for any losses they may have suffered in connection with that Energy Efficiency Project. The Company might also remain liable for any debt or other financial obligations related to that Energy Efficiency Project. Any material uninsured losses may substantially affect the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on returns to Shareholders and the market value of the Shares.

The Company may be exposed to currency and foreign exchange risks

The Company is likely to have investments denominated in currencies other than Sterling, particularly US Dollars and 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 will have the ability to enter into hedging arrangements. There can be no assurance, however, that any such arrangements would provide sufficient protection to the Company against adverse currency movements. Such 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 returns to Shareholders and the market value of the Shares.

The Company faces legal risks relating to investment in other jurisdictions

In the short to medium term, the Company may invest in new Energy Efficiency Projects (including the Pipeline Projects) in a number of jurisdictions, including the United States and the Asia Pacific and continental Europe regions, and such investments are or may be subject to different laws and regulation dependent on the jurisdiction in which the Counterparty is incorporated and the jurisdictions where the Counterparty's buildings are located. In order to invest in such Energy Efficiency Projects, the Company may be required to adopt particular contractual arrangements and structures in order to satisfy the legal and regulatory requirements of a particular jurisdiction. This may affect the contractual rights acquired by the Company or may require the Company to incur additional establishment costs from local service providers (such as lawyers, accountants or valuers) in order to put such contracts in place. Furthermore, the Company and Counterparties could be subject to an insolvency regime outside the UK, which could be more debtor-friendly than the UK. Such jurisdiction-specific insolvency regimes may negatively affect the Company's recovery in a restructuring or insolvency. Please also see risk factor "*The Company may invest in Energy Efficiency Projects through one or more Project SPVs*" below for a description of potential legal or taxation issues with regard to the use of Project SPVs in the UK. These structure-orientated risks could be more or less likely to materialise where the Company invests in different jurisdictions, depending on the local laws and customs in such jurisdictions. Should any of these risks materialise, for example, if the Company is unable to pursue an insolvent debtor in an overseas jurisdiction due to the relevant insolvency regime in that jurisdiction, it could adversely affect the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The Company faces risks associated with investing in the energy efficiency sector

The Company will become one of the first UK listed investment funds to invest exclusively in the energy efficiency sector. As a relatively new sector, it may be considered riskier than more established asset classes. As the asset class is less established, there is less record of past performance on which to base analysis and modelling. This means that there may be unforeseen risks in the asset class that lead to volatility in the value of investments, and there may therefore be a lower return than expected. If the return is lower than expected, this could have an adverse effect on the value of the Portfolio, financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The Company's investments may be adversely affected by poor performance of a particular sector or industry

The Company's investments are intended to be diversified by sector and industry. The diversification of its investments is intended to mitigate the Company's exposure to adverse events associated with specific investments and sectors. Contractual Payments may be volume based or tied to the Company achieving certain performance standards or energy savings for the Counterparty. The contractual arrangements governing Energy Efficiency Projects will sometimes include a provision to increase the Contractual Payment on an annual basis, such percentage increase sometimes being linked to inflation. The Company's returns may be adversely affected by macro-economic underperformance or by the unfavourable performance of particular sectors or industries, if they affect the performance or prospects of companies who are the Counterparties to contractual arrangements governing the Energy Efficiency Projects. This adverse effect may be amplified the more Counterparties are in or connected to the affected sector, industry or, in the case of macro-economic factors, the affected jurisdiction. Should the Company's returns be adversely affected by virtue of such poor performance, or should such adverse effect be amplified by virtue of concentration of the Portfolio to any particular industry or sector, this would have an adverse effect on the value of the Portfolio, the Company's financial, financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The Company may face risks associated with leverage

The Company will maintain a conservative level of Structural Gearing in the interests of capital efficiency, in order to seek to enhance income returns, long term capital growth and capital flexibility.

The Company may also enter into Acquisition Finance arrangements on a short term basis to finance acquisitions. The Company would intend to repay any Acquisition Finance with the proceeds of an equity issue in the short to medium term.

Structural Gearing and Acquisition Finance will be employed either at the level of the Company, at the level of a relevant Project SPV or at the level of any intermediate wholly owned subsidiary of the Company, and any limits described in this Prospectus shall apply on a consolidated basis across the Company, the Project SPVs and such intermediate holding company.

While such leverage presents opportunities for increasing total returns, it can also have the opposite effect of increasing losses or risk of default on debt servicing obligations and insolvency. If income from Energy Efficiency Projects (as supplemented with borrowed funds) is less than the costs of the leverage, the Net Asset Value will decrease, which could have an adverse effect on the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and market value of the Shares.

The Company may incur liabilities on the disposal of Energy Efficiency Projects

Where the Company disposes of an Energy Efficiency Project, the Company may be required to make representations and give warranties to the purchaser about the business and financial affairs of a project or portfolio company typical of those made in connection with the sale of a business. The Company also may be required to compensate the purchaser to the extent that any such representations and warranties are inaccurate or to the extent that certain potential liabilities arise. If the Company were required to pay out on such a claim, this would have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The Company may face risks relating to installing, operating and decommissioning the Energy Efficiency Equipment

Whilst the Company will seek to invest in predominantly operational assets (being assets where the Energy Efficiency Equipment has already been installed, and is already in operation, at the Counterparty's premises), it is possible that new Energy Efficiency Projects entered into by the Company could relate to projects that are in construction or development phases. One of the Seed Projects is also still in its late construction phase. Should completion of any project overrun (both in terms of time and budget), there is a risk that payments may be required to be made to (or withheld by) a Counterparty in relation to the late installation of the Energy Efficiency Equipment. Further, the Company may inherit the risk of any defects in the construction or development phase of the Energy Efficiency Project. If the completion of a project overruns, it would also result in a delayed start of Contractual Payments due to the Company being paid, which could affect the Company's ability to achieve its target returns, depending on the nature and scale of such delay.

EPC Contractors will be appointed by the Company in respect of the engineering, procurement and construction obligations relating to the construction or development phase of an Energy Efficiency Project. As such, the Company will be dependent on the performance of EPC Contractors in order to complete the Energy Efficiency Project on time and in accordance with all appropriate standards and specifications. The Company will seek to contract with EPC Contractors of good standing and with a strong track record, and will seek to ensure that any contract with the EPC Contractor, and the other contracts relating to the relevant project, will contain sufficient protections to ensure that the Company will be adequately compensated should it suffer any losses due to any delays or defects in the completion of the Energy Efficiency Project, or if commissioning of the Energy Efficiency Project is never completed. Such contractual protections may take the form of liquidated damages (which may be capped), a general right to damages, or a right to terminate one or more project agreements, following which the Project SPV may be able to claim some or all of its losses from the EPC Contractor pursuant to the terms of the EPC Contract (and potentially, from other counterparties under other project agreements). There can be no assurance, however, that the liability regimes in the relevant contracts will be sufficient to cover all of the losses incurred by the Company where a project has overrun (both in terms of time and budget), or that, following termination by the Company of the EPC Contract (and other project agreements), the Company will be able to recover all of its losses from the Counterparties. It is also possible that a Counterparty may become insolvent or otherwise unable to pay its debts as they fall due, further restricting the Company's ability to recover its losses.

The Company may also be required to decommission Energy Efficiency Equipment following expiration of the Energy Efficiency Project. Delays in decommissioning the equipment, or damage caused to the Counterparty's premises during such decommissioning may cause the Company to incur liabilities that the Company may not be able to fully recover under the terms of any contract with the subcontractor that the Company has appointed to decommission such equipment.

In the case of construction obligations, maintenance and replacement obligations and decommissioning projects, the Company will need to consider whether it is liable under environmental and health and safety legislation for any accidents that may occur, to the extent such loss is not covered under any of the Company's existing insurance policies or, where applicable, the contractual provisions in place with the relevant subcontractors do not adequately cover the Company's liability.

The Company may also be liable in respect of any environmental damage (including contamination of hazardous substances) which may occur on any site upon which Energy Efficiency Equipment is installed or any neighbouring sites.

Should there be a delay in completing, or should a defect arise during the construction phase of the installation of, the Energy Efficiency Equipment (which cannot be recovered from an EPC Contractor), or if any liabilities (relating to health and safety or otherwise) arise against the Company during the construction, operation or decommissioning of the Energy Efficiency Equipment, this could have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The Company's Energy Efficient Equipment may fail, not be properly and adequately maintained, or otherwise underperform

The Energy Efficiency Equipment installed at the Counterparty's premises may fail, which could give rise to remediation rights of the Counterparty under the relevant Energy Efficiency Project. Contractual arrangements governing certain Seed Projects and any new Energy Efficiency Project may include key performance indicators ("KPIs"), against which the performance of the Energy Efficiency Equipment will be measured. For example, in the case of lighting equipment, KPIs may relate to the quality of the light that the equipment provides. Where such KPIs are not met, the Counterparty may be entitled, pursuant to the terms of the Energy Efficiency Project, to withhold part or all of the Contractual Payment payable to the Company or to terminate the relevant contract for the default of the Company.

In order to mitigate this risk, the Investment Manager will procure that the Company or relevant Project SPV uses proven technologies, typically backed by manufacturer warranties, in the installation of the Energy Efficiency Equipment. In addition, the Energy Efficiency Equipment used on the projects comprising the Seed Portfolio will, predominantly, have demonstrated operational performance at the date of this Prospectus. Further, the Company or the relevant Project SPV will implement a maintenance programme for the Energy Efficiency Equipment and will typically appoint O&M Contractors with a strong track record to carry out such maintenance pursuant to the relevant O&M Contract. Typically, the O&M Contract will contain back-to-back KPIs against the same performance criteria contained in the correlating Energy Efficiency Project, to enable the Company or relevant Project SPV to pursue the O&M Contractor, often on a liquidated damages basis, for any loss of revenue caused by a failure to meet all KPIs. Typically, the O&M Contract will also contain back-to-back termination provisions and termination payments to enable the Company or relevant Project SPV to recover costs and losses associated with early termination from the O&M Contractor.

Further, the Investment Manager will seek to procure appropriate guarantees from the vendors of the Energy Efficiency Equipment in favour of the Company in respect of the Energy Efficiency Equipment installed. The Investment Manager will seek to ensure that the O&M Contracts will match the life of such guarantees.

However, there can be no assurance that the steps taken will be sufficient to extinguish entirely any risk that the Energy Efficiency Equipment may fail, and there can be no assurance that the protections contained in the relevant O&M Contract (or any other mitigating actions taken by the Investment Manager or the Company) will be sufficient to cover any loss suffered by the Company. For example, the Investment Manager may not be able to procure that the KPIs and the liability and termination regimes contained in the contractual arrangements governing the Energy Efficiency Projects are entirely aligned with the equivalent protections contained in the relevant O&M Contract. Moreover, the Company is exposed to the risk that the O&M Contractor (or its guarantor) becomes insolvent or is otherwise unable to pay its debts as they fall due (in spite of its strong track record), and is therefore unable to pay the damages set forth in the relevant O&M Contract.

Certain of the O&M Contractors appointed to maintain the Energy Efficiency Equipment in respect of the Seed Projects are appointed for more than one of those Seed Projects, and the Company may, in respect of future investments, appoint the same O&M Contractors in respect of more than one Energy Efficiency Project. These multiple appointments create a concentration risk that would magnify the quantum of any losses should that O&M Contractor (or its guarantor) become insolvent or otherwise be unable to fulfil its obligations under each of the relevant O&M Contracts.

In the event that the Energy Efficiency Equipment fails and the Counterparty is entitled to exercise its remediation rights (such as withholding payment of some or all of the Contractual Payments), and if the mitigating actions taken by the Investment Manager or Company should prove insufficient to cover the cost of such remediation action (including due to the insolvency or otherwise of an O&M Contractor or its guarantor), this will affect the returns generated by the relevant Energy Efficiency Project, which is likely to have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The Company may invest in Energy Efficiency Projects through one or more Project SPVs

The Company may invest in Energy Efficiency Projects indirectly through Project SPVs, whether these are Company SPVs or Third Party SPVs. While such investments will provide the Company

diversification on a look-through basis, the Company will be exposed to certain risks associated with the vehicles as a whole which may affect its return profile. For example:

- any change in the laws and regulations including any tax laws and regulations applicable to the Project SPV or to the Company in relation to the receipts from any such Project SPV may adversely affect the Company's ability to realise all or any part of its interest in Energy Efficiency Projects held through such structures; or
- any failure of the Project SPV or its management to meet their respective obligations may have a material adverse effect on the Energy Efficiency Projects held through such structures (for example, triggering breach of contractual obligations) and the Company's exposure to the investments held through such structures and/or the returns generated from such Energy Efficiency Projects for the Company. 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
- in the case of a Third Party SPV, which is not owned or controlled by the Company or its Affiliates or in respect of which certain matters require the agreement of all shareholders, the Company will not have ultimate control over the actions of the Project SPVs, including the manner in which it maintains and operates the Energy Equipment Assets (whether through an O&M Contractor or not). This could lead to decisions being taken over which the Company has no control, which could have an adverse effect on the Contractual Payments related to the relevant Energy Efficiency Project and the Company may have restricted rights of remediation under the contractual arrangements relating to the relevant Energy Efficiency Project.

Further, where investments are acquired indirectly as described above, the value of the Project SPV structure may not be the same as the value of the underlying asset due, for example, to tax, contractual, contingent and other liabilities, or structural considerations. To the extent that valuations of the Company's investments in Project SPVs or other investment structures prove to be inaccurate or do not fully reflect the value of the underlying assets, whether due to the above factors or otherwise, this may have a material adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

Payment obligations on early termination of Energy Efficiency Projects by Counterparties may not adequately compensate the Company for the amount of revenue it would have otherwise received

The contractual arrangements governing Energy Efficiency Projects may contain limited rights of termination, exercisable by the Counterparty, prior to the expiration of their term. Such contracts will typically contain certain protection mechanisms with regard to early termination by Counterparties, including the obligation of the Counterparty to pay termination fees. It is possible that any such termination fees, or other contractual protections, may not adequately compensate the Company for the amount of revenue it would have received had the Energy Efficiency Project continued for the entirety of its term.

It is often the case that the Company, or the relevant Project SPV, owns the Energy Efficiency Equipment that is the subject of the Energy Efficiency Projects. In such circumstances, early termination of the Energy Efficiency Project may give rise to a right for the Company, or relevant Project SPV, to decommission and repossess Energy Efficiency Equipment installed on the Counterparty's premises. Any equipment due for return to the Company on termination may not be capable of reuse for another investment or otherwise resold for anything close to its acquisition cost. While contracts governing the Energy Efficiency Project will sometimes specify that such decommissioning is undertaken at the Counterparty's cost, and any early termination fee will usually be based on the net present value of the Energy Efficiency Project (which will include a fair value of the installation costs), there is no guarantee that the Company will be able to successfully recover a termination fee that fully covers all costs and liabilities the Company has incurred in respect of an Energy Efficiency Project together with all project revenue from such project. In some cases a Counterparty has a right to purchase the Energy Efficiency Equipment upon early termination or at the end of the term. The price paid for the asset may not be equivalent to the price that may have been achieved on the open market. Where there is such a shortfall, the early termination of an Energy Efficiency Project by a Counterparty may substantially adversely affect the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

Contractual arrangements governing certain Energy Efficiency Projects may include provisions enabling the Counterparty to reduce the quantum of the Contractual Payments in limited circumstances

In addition to deductions from the Contractual Payments as a result of failure to meet KPIs (as set out above in the risk factor entitled “*The Company’s Energy Efficient Equipment may fail, not be properly and adequately maintained, or otherwise underperform*” above), the contractual arrangements governing an Energy Efficiency Project may link the quantum of the Contractual Payments (and other revenue, such as RHI payments) to the availability output or efficiency of Energy Efficiency Equipment. For example, Contractual Payments may be linked to the heat produced by a CHP or biomass boiler. As with other categories of Energy Efficiency Equipment, the Company or the relevant Project SPV will appoint an O&M Contractor to maintain the Energy Efficiency Equipment. The terms of the O&M Contract will often include provisions aimed at protecting the Company or relevant Project SPV in the case of underperformance or technical issues with the Energy Efficiency Equipment. However, events outside of the control of the O&M Contractor or the Company, such as unfavourable or extreme climate or environmental events (such as floods or fire) or loss of demand from the Counterparty, could result in the Energy Efficiency Equipment underperforming or failing, or the O&M Contractor could be unable to pay its debts as they fall due or otherwise be unable to perform its obligations under the relevant O&M Contract, and in such circumstances the Company may be unable to reclaim any or part of its loss from the O&M Contractor (or from any insurance policies in place for such Energy Efficiency Project). The O&M Contractor’s liability for the Project SPV’s loss may also be limited pursuant to the terms of the relevant O&M Contract. The happening of such events may substantially affect the value of the Portfolio, the Company’s financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares.

The lack of availability of feedstock could impact the profitability of the Energy Efficiency Equipment

Certain Energy Efficiency Equipment, such as biomass boilers, steam raising boilers and CHP units, require fuel or “feedstock” in order to operate. In the case of CHP units, the feedstock is sometimes natural gas or gas produced as waste from industrial processes, which is often procured by the Counterparty. In such circumstances, the financial modelling of the Energy Efficiency Equipment does not take into account the supply of the gas, and any issues the Counterparty may have in procuring such feedstock would likely not impact the payment of the Contractual Payment and therefore the returns generated for the Company.

However, certain Energy Efficiency Equipment runs off alternative sources of fuel, which may need to be procured by the Company or the relevant Project SPV. For example, biomass boilers used by the Company may run off wood pellets. These wood pellets may be sourced by the relevant Project SPV, under a supply contract. Typically, the supply contract will fix the supply price and quantity for a fixed period of time, whilst others will have a supply price based on the output and efficiency of the Energy Efficiency Equipment. However, there is a risk that the relevant Project SPV is unable to source such feedstock following expiry of this initial period or that the supplier will raise the price of the feedstock after this period or that the supplier fails to supply fuel of an adequate quality and specification. The Investment Manager will seek to procure that the contractual arrangements governing each Energy Efficiency Project include protections in favour of the relevant Project SPV, such as the right to terminate the contract if the increase in price, or lack of availability, of the feedstock represents a material adverse change. However, these remedies do not completely extinguish the risk that the Company and relevant Project SPV may suffer loss in the event that the feedstock is no longer available or the market price increases. The happening of such events would increase the relevant Project SPV’s operating costs, decreasing its profitability and therefore may substantially affect the value of the Portfolio, the Company’s financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares

The Company’s ability to install and maintain equipment may be dependent on taking a lease of part of the Counterparty’s premises

Where the Company owns and procures the instalment of Energy Efficiency Equipment on a Counterparty’s premises, its rights to access the premises in order to install, and then maintain, the Energy Efficiency Equipment will often be obtained through a licence or lease agreement. Where the Company is not able to secure a lease or licence on favourable terms, such as the ability to

access the premises at the convenience of the Company or its subcontractors to install or maintain the Energy Efficiency Equipment, there may be delays in installing or repairing such equipment. In such circumstances, depending on the contractual arrangements governing the Energy Efficiency Project, the Company may experience delays in receiving Contractual Payments (or the Counterparty may be entitled to withhold part of the Contractual Payments). Where the Company (or relevant Project SPV) receives reduced (or late) Contractual Payments, this may substantially affect the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The Energy Efficiency Equipment may not always be owned by the Company or relevant Company SPV

In some cases, the Company or relevant Company SPV will loan funds directly to the Counterparty (or a Third Party SPV) in order for that third party to acquire the Energy Efficiency Equipment directly. The Contractual Payment payable to the Company or the relevant Company SPV will take the form of repayments on the loan. Where a Counterparty or Third Party SPV owns the Energy Efficiency Equipment, the Company will not benefit from the same level of control over the use and maintenance of such equipment, including not being able to appoint its preferred O&M Contractors.

If the Energy Efficiency Project in question contains contractual provisions enabling the Counterparty to adjust the quantum of the Contractual Payment depending on the performance of the Energy Efficiency Equipment (such as the inclusion of KPIs), then the Company may receive lower returns by virtue of actions outside of its control, such as poor performance of the relevant O&M Contractor. In order to mitigate this risk, the Energy Efficiency Project may include certain contractual protections for the Company, such as step-in rights or the right for the Company (or Company SPV) to replace the O&M Contractor. However, such remedies may not be sufficient to recover historic losses suffered by the Company and there may be additional costs incurred by the Company in performing the relevant obligations itself, or procuring a replacement (such costs may not be capable of being passed onto the relevant Counterparty or defaulting O&M Contractor). Such poor performance, or other losses caused by actions outside of the control of the Company, may substantially affect the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The EPC Contractors and O&M Contractors (and their subcontractors) may be required to obtain and retain certain approvals and licences in connection with the installation or maintenance of the Energy Efficiency Equipment

The Energy Efficiency Equipment installed at the Counterparty's premises will need to be maintained, pursuant to the terms of the Energy Efficiency Projects. Although the Company will, predominantly, seek to acquire operational assets, it is possible that installation may be required, whether as part of any construction phase or a maintenance programme put in place to fulfil the Company's or relevant Project SPV's obligations under the contractual arrangements governing an Energy Efficiency Project. In such circumstances, certain new or replacement Energy Efficiency Equipment may need to be installed at the premises.

The Company or relevant Project SPV will appoint a range of EPC Contractors and O&M Contractors (and their subcontractors) to carry out such operations. In order to install or maintain the Energy Efficiency Equipment, the EPC Contractors and O&M Contractors (and their subcontractors) may be required to obtain and retain certain regulatory, governmental or other licences. Certain of the Contractual Payments may be in the form of government incentive payments (such as RHI payments), which require the relevant Seed Project to comply with relevant regulations on an ongoing basis in order to receive the payments. It is possible that Contractual Payments to be made under future Energy Efficiency Projects may comprise an element of RHI payments or other government initiative payments. EPC Contractors and O&M Contractors may be required to hold a variety of licences in order to perform their services under the relevant O&M Contract, examples of which in the UK are registration on the "Gas Safe Register" in order to perform certain gas engineering work, or the requirement to be an electrical Competent Person Scheme Operator in order to self-certify that such person's work is compliant with relevant building regulations. It is possible that EPC Contractors or O&M Contractors in other jurisdictions in which the Energy Efficiency Projects are based may need to comply with similar registration or licensing requirements.

Should the EPC Contractors, the O&M Contractors or their subcontractors not be able to obtain (or lose) any requisite licence, this may delay the installation or maintenance of the relevant Energy Efficiency Equipment. Further, where the Counterparties or relevant premises are based outside the UK, the EPC Contractors, O&M Contractors or their subcontractors may be required to obtain additional licences in that jurisdiction (or the EPC Contractors or O&M Contractors may be required to appoint local subcontractors), which could further delay the installation or maintenance of the relevant Energy Efficiency Equipment.

For installations, in the case of Energy Efficiency Projects where the quantum of the Contractual Payment is linked to the output or performance of the Energy Efficiency Equipment, such delay could result in Contractual Payments being paid with effect from a later date which would, in turn, delay the receipt of returns from the Company or relevant Project SPV. For maintenance operations, such delay could result in equipment failure or could give rise to a right of remediation for the relevant Counterparty under the contractual terms of the relevant Energy Efficiency Project, such as triggering the reduction of payments due to failure to meet KPIs, or reduction of output of the Energy Efficiency Equipment, resulting in lower Contractual Payments being generated. In either case, this could have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares. Certain projects may also require planning permissions and environmental permits (and other similar permissions and permits) regulating the design, build and operation of the Energy Efficiency Equipment. Failure to obtain such permissions, permits or consents and/or a failure to comply with their requirements may lead to delay, to construction or a suspension of operation, and increased costs and an inability to continue construction or operation of the Energy Efficiency Equipment.

The Company is subject to risks associated with any hedging or derivative transactions in which it participates

The Company may use derivatives for efficient portfolio management but not for investment purposes. In particular, the Company may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases and full or partial foreign exchange to mitigate the risk of currency fluctuations.

Derivative transactions may be volatile and involve various risks different from and, in certain cases, greater than the risks presented by other instruments. The primary risks related to derivative transactions include counterparty, correlation, illiquidity, leverage, volatility and OTC trading risks. A small investment in derivatives could have a large potential impact on the Company's performance, which effects a form of investment leverage on the Portfolio. In certain types of derivative transactions, the entire amount of the investment could be lost. In other types of derivative transactions, the potential loss is theoretically unlimited.

Although the Company will select counterparties with whom it enters into hedging arrangements with due skill and care, there will be residual risk that the counterparty may default on its obligations.

Any hedging or derivative transaction which does not perform its intended purpose of offsetting losses on an investment could have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

RISKS RELATING TO THE INVESTMENT MANAGER

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

In accordance with the Investment Management Agreement, the Investment Manager is responsible for the management of the Company's investments. The Company does not have any employees and its Directors are appointed on a non-executive basis. The Directors have delegated responsibility for managing the assets comprising the Portfolio to the Investment Manager, which is not required to, and generally will not, submit individual investment decisions for approval to the Board. The Company will therefore be reliant upon, and its success will depend on, the Investment Manager and its personnel, services and resources.

Many of the Investment Manager's investment decisions will depend upon the ability of its employees and agents to carry out due diligence and obtain relevant information. There can be no

assurance that such information will be available or, if available, can be obtained by the Investment Manager and its employees and agents. Further, the Investment Manager may be required to make investment decisions without complete information or in reliance upon information provided by third parties that is impossible or impracticable to verify fully. There can be no assurance that the Investment Manager will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on the investments. Any failure by the Investment Manager to perform effective due diligence on potential investments may adversely affect the investment returns expected from a particular investment.

Further, the ability of the Company to pursue its investment policy successfully will depend on the continued service of key personnel of the Investment Manager, and/or the Investment Manager's ability to recruit individuals of similar experience and calibre. Whilst the Investment Manager seeks to ensure that the principal members of its management team are suitably incentivised, no assurance can be given that the key members of those teams will be retained. Further, there is no assurance that, following the death, disability or departure from the Investment Manager of any key personnel, the Investment Manager would be able to recruit a suitable replacement or avoid any delay in doing so. The loss of key personnel and any inability to recruit an appropriate replacement in a timely fashion could impair the ability of the Investment Manager to discharge its obligations under the Investment Management Agreement to a satisfactory standard, which could have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

There can be no assurance that the Investment Manager will be able to source suitable investments at prices which the Investment Manager considers to be attractive

Returns on the Shareholders' investments will depend upon the Investment Manager's ability to source and complete successful investments on behalf of the Company in the face of competition from other entities, which may be more established or have greater resources than the Company, or be able to undercut the Company's pricing matrix due to having lower operating costs.

Further, the Investment Manager's ability to source investments at a price that it considers to be attractive could be affected by a reduction of availability of feedstock or an increase in the price of the feedstock, which could adversely affect the Company's financial model. Whilst the Investment Manager will attempt to mitigate this risk through having robust supply arrangements in place for feedstock (which may include robust protections for the Investment Manager or the Company in the event of default of the supplier), there can be no assurance that the feedstock will continue to be available at an attractive price on an ongoing basis.

In either case, the Company may be required to make a less favourable investment, make the same investment at a less favourable price or retain cash for longer than expected, which may have a material adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

There can be no assurance that the Board would be able to find a replacement investment manager if the Investment Manager was to resign or the Investment Management Agreement was to be terminated

Under the terms of the Investment Management Agreement, the Investment Manager may resign as the Company's investment manager by giving the Company not less than 12 months' written notice, such notice not to expire prior to the end of an initial period of 4 years from the date of Initial Admission. Further, the Investment Management Agreement may be terminated by the Investment Manager or by the Company in certain circumstances.

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

The Investment Manager and other SDCL Group entities may be involved in other financial, investment or professional activities that may give rise to conflicts of interest with the Company

The Investment Manager and other SDCL Affiliates may be involved in other financial, investment or professional activities which may give rise to conflicts of interest with the Company. In particular, the Investment Manager and other SDCL Affiliates entities manage investment vehicles other than the Company and may provide investment management, risk management, investment advisory or other services in relation to such investment vehicles (and also to segregated clients) which may have investment policies which mean that they are interested in some or all of the same investments as the Company.

There is therefore a risk that conflicts of interest may arise because the Investment Manager must allocate certain investment opportunities between the Company and other investment vehicles. The Investment Manager has established procedures to address any such potential conflicts of interest, which are described in paragraph 5 of Part II (Industry Overview, Investment Opportunity and Seed Portfolio) of this Prospectus.

However, there can be no assurance that these procedures with respect to such conflicts of interest will remain in place or will be successful in addressing all such conflicts that may arise. If these procedures are not followed for any reason, if the Investment Manager is otherwise unable to effectively manage such potential conflicts of interest, or if the outcome of following such procedures is in the circumstances adverse to the interests of the Company, this could have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

The past performance of funds managed by the Investment Manager is not an assurance or an indication of the future performance of the Company

The information contained in this Prospectus relating to the prior performance of the Seed Portfolio and funds managed by the Investment Manager and other SDCL Affiliates is being provided for illustrative purposes only and is not indicative of the likely performance of the Company. In considering the prior performance information contained in this Prospectus, prospective investors should bear in mind that past performance is not necessarily indicative of future results and there can be no assurance that the Company will achieve comparable results or be able to avoid losses.

Operational risks may disrupt the Investment Manager's business, result in losses or limit the Company's growth

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

The 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, tornadoes, 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 may have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares.

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

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

The Investment Manager could be the subject of an acquisition by a third party or a change of control, which could result in a change in the way that the Investment Manager carries on its business and activities

The Investment Manager is a member of the SDCL Group. Whilst the Investment Management Agreement may contain change of control provisions, the Company may not always be able to prevent stakeholders in the SDCL Group from transferring control of part or the whole of the SDCL Group's business to a third party. A new owner or new significant shareholder could have a different investment and management philosophy to the current investment and management philosophy of the SDCL Group, which could influence the investment strategies and performance of the Investment Manager. A change of control of the SDCL Group could also lead the Investment Manager to employ investment and other professionals who are less experienced or who may be unsuccessful in identifying investment opportunities.

If any of the foregoing were to occur, it could impair the ability of the Investment Manager to discharge its obligations under the Investment Management Agreement to a satisfactory standard, which could have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares.

RISKS RELATING TO REGULATION, TAXATION AND THE COMPANY'S OPERATING ENVIRONMENT

Changes in laws or regulations governing the Company's or the Investment Manager's 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 is subject to, and will be required to comply with, certain legal and regulatory requirements that are applicable to UK investment trusts. The Company is subject also to the continuing obligations imposed by the UK Listing Authority on all investment companies whose shares are listed in the premium listing category of the Official List. The Investment Manager is subject to, and will be required to comply with, certain regulatory requirements set out in UK domestic legislation, rules and regulation as well as those set out at an EEA level, 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 an adverse effect on the ability of the Company and the Investment Manager to carry on their respective businesses. Any such changes could have an adverse effect on the value of the Portfolio, the Company's financial condition, results of operations and prospects, with a consequential adverse effect on the market value of the Shares.

Changes in taxation legislation or practice may adversely affect the Company 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 or other jurisdictions to which the Company has exposure, could adversely affect the value of investments in the Company's Portfolio and the Company's ability to achieve its investment objective, or alter the post-tax returns to Shareholders. Statements in this Prospectus 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.

It is the intention of the Directors to conduct the affairs of the Company so as to satisfy the conditions for approval of the Company by HMRC as an investment trust under section 1158 of the Corporation Tax Act 2010 and pursuant to regulations made under section 1159 of the Corporation Tax Act 2010. However, neither the Investment Manager nor the Directors can provide assurance that this approval will be obtained and subsequently maintained. The UK Investment Trust (Approved Company) (Tax) Regulations 2011 require an up-front application to be made for approval as an investment trust. Once approved, the Company will be treated as an investment trust during the accounting period current as at the time the application is made, and will continue to have investment trust status in each subsequent accounting period, unless the Company breaches the investment trust conditions so as to be treated as no longer approved by HMRC as an investment trust, pursuant to the regulations. Breach of such conditions could, as a result, lead to the Company being subject to UK tax on its capital gains.

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

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 FATCA provisions are US provisions contained in the US Hiring Incentives to Restore Employment Act of 2010. FATCA is aimed at reducing tax evasion by US citizens. FATCA imposes a withholding tax of 30 per cent. on: (i) certain US source interest, dividends and certain other types of income; and (ii) beginning no earlier than 1 January 2019, the gross proceeds from the sale or disposition of assets which produce US source interest or dividends and, potentially on "foreign passthru payments" (a term which is not yet defined), which are received by a foreign financial institution ("FFI"), unless the FFI complies with certain reporting and other related obligations under FATCA. The UK has concluded an intergovernmental agreement ("IGA") with the US, pursuant to which parts of FATCA have been effectively enacted into UK law.

Under the IGA, an FFI that is resident in the UK (a "**Reporting FI**") is not subject to withholding under FATCA provided that it complies with the terms of the IGA, including requirements to register with the IRS and requirements to identify, and report certain information on, accounts held by certain US persons owning, directly or indirectly, an equity or debt interest in the Company (other than equity and debt interests that are regularly traded on an established securities market, as described below) and report on accounts held by certain other persons or entities to HMRC, which will exchange such information with the IRS.

The Company expects that it will be treated as a Reporting FI pursuant to the IGA and that it will comply with the requirements under the IGA and relevant UK legislation. The Company also expects that its Shares may, in accordance with the current HMRC practice, comply with the conditions set out in the IGA to be "regularly traded on an established securities market" meaning that the Company should not have to report specific information on its Shareholders and their investments to HMRC.

However, there can be no assurance that the Company will be treated as a Reporting FI, that its Shares will be considered to be "regularly traded on an established securities market" or that it will not in the future be subject to withholding tax under FATCA or the IGA. If the Company becomes subject to a withholding tax as a result of FATCA or the IGA, the return on investment for some or all Shareholders may be materially adversely affected.

The Company is likely to be regarded as a “covered fund” under the Volcker Rule. Any prospective investor that is or may be considered a “banking entity” under the Volcker Rule should consult its legal advisers regarding the potential impact of the Volcker Rule on its investments and other activities prior to making any investment decision with respect to the Shares or entering into other relationships or transactions with the Company

Section 13 of the US 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 (such statutory provision together with such implementing regulations, the “**Volcker Rule**”), generally prohibits “banking entities” (which term is broadly defined to include any US bank or savings association whose deposits are insured by the Federal Deposit Insurance Corporation, any company that controls any such bank or savings association, any non-US bank treated as a bank holding company for purposes of Section 8 of the US International Banking Act of 1978, as amended, and any Affiliate or subsidiary of any of the foregoing entities) from: (i) engaging in proprietary trading as defined in the Volcker Rule; (ii) acquiring or retaining an “ownership interest” in, or “sponsoring”, a “covered fund”; and (iii) entering into certain other relationships or transactions with a “covered fund”.

As the Company is likely to be regarded as a “covered fund” under the Volcker Rule, any prospective investor that is or may be considered a “banking entity” under the Volcker Rule should consult its legal advisers regarding the potential impact of the Volcker Rule on its investments and other activities, prior to making any investment decision with respect to the Shares or entering into other relationships or transactions with the Company. If the Volcker Rule applies to an investor’s ownership of Shares, the investor may be forced to sell its Shares or the continued ownership of Shares may be subject to certain restrictions. Violations of the Volcker Rule may also subject an investor to potential penalties imposed by the applicable bank regulatory authority or other enforcement action.

The Company is not, and does not intend to become, regulated as an investment company under the 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 Investment Company Act and related rules. The 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 Investment Company Act because of a change of law or otherwise, the various restrictions imposed by the 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 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 Ordinary 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 expect to provide the information needed to make such an election. A “mark-to-market” election may be available, however, if the Company’s Ordinary 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 Ordinary Shares in light of their particular circumstances.

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

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-US or other laws or regulations that are substantially similar to Section 406 of ERISA or Section 4975 of the US 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 registered under the 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 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 US Persons. If in the future the initial purchaser, as well as any subsequent holder, decides to offer, sell, transfer, assign or otherwise dispose of the Shares, they may do so only: (i) in an offshore transaction complying with the provisions of Regulation S under the Securities Act to a person outside the United States and not known by the transferor to be a US Person, by prearrangement or otherwise; or (ii) to the Company or a subsidiary thereof.

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. Prospective investors should refer to the section entitled "Overseas Persons and Restricted Territories" in Part V (The Initial Issue and the Share Issuance Programme) of this Prospectus.

The Company will be subject to various political, economic and other risks

The Company will be subject to various risks incidental to investing. Factors affecting economic conditions include, for example, currency devaluation, exchange rate fluctuations, interest rate changes, competition, domestic, transnational, international and worldwide political, military and diplomatic events and trends and other factors, none of which will be in the control of the Company.

The United Kingdom voted in favour of withdrawing from the European Union in a referendum on 23 June 2016 and, on 29 March 2017, the UK Government exercised its right under Article 50 of the Treaty on the European Union to notify the European Union of the United Kingdom's intention to withdraw from the European Union. The political, economic, legal and social consequences of this, and the ultimate outcome of the negotiations between the UK and the European Union, are currently uncertain and may remain uncertain for some time to come.

During this period of uncertainty, there may be significant volatility and disruption in: (i) the global financial markets generally, which result in a reduction of the availability of capital and debt; and (ii) the currency markets as the value of Sterling fluctuates against other currencies. Such events may, in turn, contribute to worsening economic conditions, not only in the UK and Europe, but also in the rest of the world.

Any interest rate differentials between Sterling and the currencies in which the Company's investments are denominated may increase after the United Kingdom leaves the European Union, which may adversely affect hedged returns and therefore, the Company's performance. The extent to which the United Kingdom leaving the European Union will affect interest rates in both the United Kingdom and the European Union is currently uncertain.

The nature of the United Kingdom's future relationship with the European Union may also impact and potentially require changes to the Company's regulatory position. In addition, the Company will likely contract with Counterparties, EPC Contractors, O&M Contractors, suppliers and other service providers who are based in countries within the European Union other than the United Kingdom. However, at present, it is not possible to predict what these regulatory changes or effects on such counterparties may be.

Investors should be aware that if any of these risks materialise, they could have an adverse effect on the value of the Company's Portfolio, financial condition, results of operations and prospects, with a consequential adverse effect on the returns to Shareholders and the market value of the Shares

RISKS RELATING TO AN INVESTMENT IN THE SHARES

Investors may not recover the full amount of their investment in the Shares

The Company's ability to achieve its investment objective and pursue its investment policy successfully may be adversely affected by the manifestation of any of the risks described elsewhere in this Prospectus or other market conditions (or significant changes thereto). The market price of the Shares may fluctuate significantly, particularly in the short term, and potential investors should not regard an investment in the Shares as a short term investment.

As with any investment, the market price of the Shares may fall in value. The maximum loss on an investment in the Shares is equal to the value of the initial investment and, where relevant, any gains or subsequent investments made. Investors therefore may not recover the full amount initially invested in the Shares, or any amount at all.

The Shares may trade at a discount to the relevant Net Asset Value and the price that can be realised for Shares can be subject to market fluctuations

It is unlikely that the price at which the Shares trade will be the same as their Net Asset Value (although they are related). The shares of investment trusts may trade at a discount to their Net Asset Value. This could be due to a variety of factors, including due to market conditions or an imbalance between supply and demand for the Shares. While the Directors may seek to mitigate the discount to NAV through such discount management mechanisms as they consider appropriate, there can be no assurance that they will do so or that such efforts will be successful. As a result of this, investors that dispose of their interests in the Shares in the secondary market may realise returns that are lower than they would have if an amount equivalent to the Net Asset Value was distributed.

The market price of the Shares may fluctuate significantly and Shareholders may not be able to sell Shares at or above the price at which they purchased those Shares. Factors that may cause the price of the Shares to vary include those detailed in this "Risk Factors" section of this Prospectus, such as: changes in the Company's financial performance and prospects, or in the financial performance and market prospects of the Company's assets or those which are engaged in businesses that are similar to the Company's business; the termination of the Investment Management Agreement or the departure of some or all of the Investment Manager's key investment professionals; changes in or new interpretations or applications of laws and regulations that are applicable to the Company's business or to the companies in which the Company makes investments; sales of Shares by Shareholders; general economic trends and other external factors, including those resulting from war, incidents of terrorism or responses to such events; poor performance in any of the Investment Manager's activities or any event that affects the Company's or the Investment Manager's reputation; speculation in the press or investment community regarding the Company's business or assets, or factors or events that may directly or indirectly affect the Company's business or assets; and foreign exchange risk as a result of making and selling equity investments denominated in currencies other than Sterling.

Securities markets in general have experienced extreme volatility that has often been unrelated to the operating performance or fundamentals of individual companies. Market fluctuations may adversely affect the trading price of the Shares. As with any investment, the market price of the Shares may fall in value with the maximum loss on such investments being equal to the value of the initial investment and, where relevant, any gains on subsequent investments made.

It may be difficult for Shareholders to realise their investment as there may not be a liquid market in the Shares, and Shareholders have no right to have their Shares redeemed or repurchased by the Company

Initial Admission or any Subsequent Admission should not be taken as implying that there will be an active and liquid market for the Shares. The number of Shares to be issued pursuant to the Initial Issue or the Share Issuance Programme is not yet known and there may, on Initial Admission, be a limited number of holders of Shares. Consequently, the market price of the Shares may be subject to significant fluctuation on small volumes of trading. Limited numbers of Shares and/or Shareholders may result in limited liquidity in such Shares, which may affect: (i) an investor's ability to realise some or all of his or her investment; and/or (ii) the price at which such Shares trade in the secondary market. The price at which the Shares will be traded will be influenced by a variety of factors, some specific to the Company and its investments and some which may affect companies generally.

Further, the Company is a closed-ended investment company and Shareholders will have no right to have their Shares redeemed or repurchased by the Company at any time. Subject to the Act, the Directors retain the right to effect repurchases of Ordinary Shares in the manner described in this Prospectus. However, they are under no obligation to use such powers at any time and Shareholders should not place any reliance on the willingness of the Directors to exercise such powers. 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 assurance that a liquid market in the Shares will develop or that the Shares will trade at prices close to their underlying Net Asset Value. Accordingly, Shareholders may be unable to realise their investment at such Net Asset Value, or at all.

The Company is required by the Listing Rules to ensure that 25 per cent. of the Shares are publicly held (as defined by the Listing Rules) at all times. If, for any reason, the number of Shares in public hands were to fall below 25 per cent., the UK Listing Authority might suspend or cancel the listing of the Shares. Any such suspension or cancellation of the listing of the Shares could also adversely affect the Company's ability to retain its investment trust status. This may cause the Company's Share price to fall.

C Shares may suffer greater volatility in discounts and may be more illiquid than the Ordinary Shares

The shares of investment trusts and other listed closed-ended investment companies may trade at a discount to the underlying Net Asset Value per Share. The Directors will consider using, Ordinary Share buybacks to assist in limiting discount volatility and potentially providing an additional source of liquidity, if and when the Ordinary Shares trade at a level which makes their repurchase attractive. However, the Directors will not conduct buybacks of any Shares from any class of C Shares prior to Conversion. Accordingly the Company will not assist any class of C Shares in limiting discount volatility or provide an additional source of liquidity through repurchases of any C Shares in such a class of C Shares. As such, until the relevant C Shares are converted into Ordinary Shares, they may suffer greater volatility in discounts and may be more illiquid than the Ordinary Shares.

The Company may in the future issue new Shares, which may dilute Shareholders' equity or have a detrimental effect on the market price of the Shares

The Company may decide to issue further Shares in the future. Any such issue may dilute the percentage of the Company held by the Company's existing Shareholders. Additionally, such issues could have an adverse effect on the market price of the Shares. Although the Articles do not contain pre-emption rights, pre-emption rights at law apply. By a special resolution passed on 19 November 2018, the Directors were authorised, in substitution for all existing authorities, to allot Ordinary Shares, or C Shares convertible into Ordinary Shares, up to an aggregate nominal amount equal to the difference between the nominal amount of the Shares issued under the Initial Issue and £10 million on a non pre-emptive basis, such authority to expire at the end of the period of five years from the date of the passing of that resolution.

The Shares are subject to transfer restrictions and forced transfer provisions for investors in the United States and certain other jurisdictions

The Shares have not been registered and will not be registered in the United States under the Securities Act or under any other applicable securities laws and are subject to the restrictions on transfer contained in such laws. There are restrictions on the purchase and resale of Shares by Shareholders who are located in the United States, are US Persons, or who hold Shares for the account or benefit of US Persons and on the resale of Shares by any Shareholders to any person who is located in the United States or to, or for the account or benefit of, a US Person.

In order to avoid being required to register under the Investment Company Act, the Company has imposed significant restrictions on the transfer of the Shares which may materially affect the ability of Shareholders to transfer Shares in the United States, or to, or for the account or benefit of, US Persons. The Shares may not be resold in the United States. There can be no assurance that Shareholders or US Persons will be able to locate acceptable purchasers in the United States or obtain the certifications required to establish any exemption. These restrictions may make it more difficult for a US Person or a Shareholder in the United States to resell the Shares and may have an adverse effect on the market value of the Shares.

The transferability of the Shares is subject to certain restrictions as set out in the Important Notices (on pages 42 to 47 of this Prospectus) and in Part V (The Initial Issue and the Share Issuance Programme) of this Prospectus. The Company may require any Shareholder whom the Directors believe to be a Non-Qualified Holder, to provide the Company within 30 calendar days with sufficient satisfactory documentary evidence to satisfy the Company that they are not a Non-Qualified Holder. The Company may require any such person to sell or transfer their Shares to a person who is not a Non-Qualified Holder within 30 calendar days and within such 30 calendar days to provide the Directors with satisfactory evidence of such sale or transfer. Pending such transfer, the Directors may suspend the exercise of any voting or consent rights and rights to receive notice of, or attend, a meeting of the Company and any rights to receive dividends or other distributions with respect to such Shares. If any such person upon whom the Directors serve a notice does not within 30 calendar days after such notice either: (i) transfer his Shares to a person who is not a Non-Qualified Holder; or (ii) establish to the satisfaction of the Directors (whose judgment shall be final and binding) that they are not a Non-Qualified Holder, the Directors may arrange for the sale of the Shares on behalf of the registered holder at the best price reasonably obtainable at the relevant time.

IMPORTANT NOTICES

Prospective investors should rely only on the information contained in this Prospectus. No person has been authorised to give any information or to make any representation other than those contained in this Prospectus (or any supplementary prospectus published by the Company prior to the date of Initial Admission) in connection with the Initial Issue and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company, the Investment Manager, Jefferies or any of their respective Affiliates, officers, directors, employees or agents. Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G(1) of FSMA, neither the delivery of this Prospectus nor any subscription or sale made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this Prospectus or that the information contained in this Prospectus is correct as of any time subsequent to its date.

The contents of this Prospectus or any subsequent communications from the Company, the Investment Manager, Jefferies or any of their respective Affiliates, officers, directors, employees or agents are not to be construed as legal, business or tax advice. Each prospective investor should consult their own solicitor, financial adviser or tax adviser for legal, financial or tax advice in relation to the purchase of Shares.

Apart from the liabilities and responsibilities (if any) which may be imposed on Jefferies by FSMA or the regulatory regime established thereunder, Jefferies, its Affiliates, officers, directors, employees or agents make no representations, express or implied, nor accepts any responsibility whatsoever for the contents of this Prospectus (or any supplementary prospectus published by the Company prior to Initial Admission or the date of any Subsequent Admission) nor for any other statement made or purported to be made by it or on its behalf in connection with the Company, the Investment Manager, the Shares, the Initial Issue, the Share Issuance Programme or any Admission. Jefferies and its Affiliates, officers, directors, employees or agents accordingly disclaim all and any liability (save for any statutory liability) whether arising in tort or contract or otherwise which it or they might otherwise have in respect of this Prospectus or any such statement.

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

The Shares are only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in the Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment portfolio. Typical investors in the Company are expected to be institutional and sophisticated investors, professional investors, high net worth investors and advised individual investors who understand the risks involved in investing in the Company and/or who have received advice from their fund manager, broker or an independent financial adviser regarding any investment in the Company.

The Shares are designed to be held over the long term and may not be suitable as short term investments. There is no assurance that any appreciation in the value of the Company's investments will occur and investors may not get back the full amount initially invested, or any amount at all. Any investment objective of, and dividends proposed by, the Company are targets only and should not be treated as an assurance or guarantee of performance. There can be no assurance that the Company's investment objective will be achieved, or the proposed dividends will be paid.

A prospective investor should be aware that the value of an investment in the Company is subject to market fluctuations and other risks inherent in investing in securities. There is no assurance that any appreciation in the value of the Shares will occur or that the investment objective of, or the dividends proposed by, the Company will be achieved. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in the Company.

Prospective investors should rely only on the information contained in this Prospectus and any supplementary prospectus published by the Company prior to Initial Admission or any Subsequent Admission of the relevant Shares. No broker, dealer or other person has been authorised by the Company, the Board or any Director, the Investment Manager or Jefferies to issue any advertisement or to give any information or to make any representation in connection with the Initial Issue or the Share Issuance Programme other than those contained in this Prospectus and any such supplementary prospectus and, if issued, given or made, any such advertisement, information or representation must not be relied upon as having been authorised by the Company, the Board, any Director, the Investment Manager or Jefferies.

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

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

Statements made in the Prospectus are based on the law and practice currently in force in England and Wales and are subject to changes therein.

Selling restrictions

This Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to apply for any Shares by any person: (i) in any jurisdiction in which such offer or invitation is not authorised; or (ii) in any jurisdiction 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 invitation.

The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted. Accordingly, persons into whose possession this Prospectus comes are required to inform themselves about and observe any restrictions as to the offer or sale of Shares and the distribution of this Prospectus under the laws and regulations of any jurisdiction relevant to them in connection with any proposed applications for Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such jurisdiction.

Save for in the United Kingdom and save as explicitly stated elsewhere in this Prospectus, no action has been taken or will be taken in any jurisdiction by the Company that would permit a public offering of Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this Prospectus in any other jurisdiction where action for that purpose is required.

Notice to prospective investors in the EEA

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

the following exemptions under the Prospectus Directive, if they are implemented in that Relevant Member State:

- (a) to any legal entity which is a qualified investor as defined in Article 2(1)(e) of the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a Relevant Member State.

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

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

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

Notice to prospective investors in Ireland

The distribution of this Prospectus in Ireland and the offering or purchase of Shares is restricted to the individual to whom it is addressed. Accordingly, it may not be reproduced in whole or in part, nor may its contents be distributed in writing or orally to any third party and it may be read solely by the person to whom it is addressed and his or her professional advisers. Shares in the Company will not be offered or sold by any person:

- otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2017, as amended;
- in any way which would require the publication of a prospectus under the Companies Act 2014 or any regulations made thereunder; or
- in Ireland except in all circumstances that will result in compliance with all applicable laws and regulations in Ireland.

Notice to prospective investors in the United States

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Shares or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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 Securities Act, and under the Articles. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions and may subject the holder to the forced transfer and other provisions set out in the Articles.

Enforceability of civil liberties

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

Forward-looking statements

This Prospectus includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including, but not limited to, the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places in this Prospectus and include statements regarding the intentions, beliefs or current expectations of the Company, the Directors or the Investment Manager concerning, inter alia, the investment objective and investment policy, investment performance, results of operations, financial condition, prospects, and dividend policy of the Company and the markets in which it invests and/or operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not assurances of future performance. The Company's actual investment performance, results of operations, financial condition, dividends paid and its financing strategies may differ materially from the impression created by the forward-looking statements contained in this Prospectus. In addition, even if the investment performance, results of operations, financial condition of the Company and its financing strategies, are consistent with the forward-looking statements contained in this Prospectus, those results, its condition or strategies may not be indicative of results, its condition or strategies in subsequent periods. Important factors that could cause these differences include, but are not limited to, the factors set out in the "Risk Factors" section of this Prospectus.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements. Prospective investors should carefully review the "Risk Factors" section of this Prospectus for a discussion of additional factors that could cause the Company's actual results to differ materially from those that the forward-looking statements may give the impression will be achieved, before making an investment decision. Forward-looking statements speak only as at the date of this Prospectus. The Company and the Investment Manager undertake no obligation to revise or update any forward-looking statements contained herein (save where required by the Prospectus Rules, the Listing Rules, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules or the AIFM Directive), whether as a result of new information, future events, conditions or circumstances, any change in the Company's or the Investment Manager's expectations with regard thereto or otherwise. However, Shareholders are advised to read any communications that the Company may make directly to them, and any additional disclosures in announcements that the Company may make through an RIS.

For the avoidance of doubt, nothing in the foregoing paragraphs under the heading "Forward-looking statements" constitutes a qualification of the working capital statement contained in Part VII (Additional Information on the Company) of this Prospectus.

AIFM Directive disclosures

The AIFM Directive imposes detailed and prescriptive obligations on fund managers established in the EEA (the “**Operative Provisions**”). 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 AIFM Directive imposes conditions on the marketing of entities such as the Company to investors in the EEA. The AIFM Directive requires that an “alternative investment fund manager” (“**AIFM**”) be identified to meet such conditions where such marketing is sought. For these purposes, Sustainable Development Capital LLP, as the legal person responsible for performing portfolio and risk management of the Company, shall be the AIFM.

INFORMATION TO DISTRIBUTORS

Target Market Assessment

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**Directive 2014/65/EU**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing Directive 2014/65/EU; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares and C Shares have been subject to a product approval process, which has determined that the Ordinary Shares and C Shares to be issued pursuant to the Initial Issue and the Share Issuance Programme 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 Directive 2014/65/EU; and (ii) eligible for distribution through all distribution channels as are permitted by Directive 2014/65/EU (the “**Target Market Assessment**”).

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares and C Shares may decline and investors could lose all or part of their investment; the Ordinary Shares and the C Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares and/or C Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Share Issuance Programme. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Jefferies 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 Directive 2014/65/EU; 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 Ordinary Shares and/or the C Shares.

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

PRIPs Regulation

In accordance with the PRIIPs Regulation, a key information document in respect of an investment in the Company has been prepared by the Investment Manager and is available to investors at www.sdcleit.com.

Intermediaries

The Company consents to the use of this Prospectus by Intermediaries in connection with any subsequent resale or final placement of Shares in the UK by Intermediaries who are appointed by the Company and/or Jefferies, a list of which will appear on the Company’s website. Such consent is given from the date any Intermediaries are appointed to participate in connection with any subsequent resale or final placement of Shares until the closing of the period for the subsequent resale or final placement of Shares on 21 November 2019, being the date upon which the Share Issuance Programme closes, unless closed prior to that date.

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

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

The Company accepts responsibility for the information in this Prospectus with respect to any subscriber for Shares pursuant to any subsequent resale or final placement of Shares by Intermediaries appointed by the Company and/or Jefferies. As at the date of this Prospectus, no Intermediaries have been authorised to use this Prospectus:

Any new information with respect to Intermediaries, including any Intermediaries terms and conditions, will be available on the Company's website at www.sdcleit.com.

Defined terms

Capitalised terms contained in this Prospectus shall have the meanings ascribed to them in Part X (Glossary of Terms) and Part XI (Definitions) of this Prospectus, save where the context indicates otherwise.

No incorporation of website

The contents of the Company's website at www.sdcleit.com and the Investment Manager's website at www.sdcl-ib.com, the contents of any website accessible from hyperlinks on the Company's website, the Investment Manager's website, or any other website referred to in this Prospectus are not incorporated into, and do not form part of this Prospectus. Investors should base their decision to invest on the contents of this Prospectus and any supplementary prospectus published by the Company prior to Initial Admission or any relevant Subsequent Admission alone and should consult their professional advisers prior to making an application to acquire Shares.

EXPECTED TIMETABLE

Publication of this Prospectus and commencement of the Initial Issue	22 November 2018
Latest time and date for applications under the Offer	11.00 a.m. on 5 December 2018
Latest time and date for placing commitments under the Initial Placing	3.00 p.m.* on 5 December 2018
Publication of results of the Initial Issue	6 December 2018
Initial Admission and dealings in Ordinary Shares commence	8.00 a.m. on 11 December 2018
CREST Accounts credited with uncertificated Ordinary Shares	as soon as practicable after 8.00 a.m. on 11 December 2018 2018
Where applicable, definitive share certificates dispatched by post in the week commencing	17 December 2018

* or such later time and date as may be notified to a Placee

Any changes to the expected timetable set out above will be notified to the market by the Company via an RIS announcement. In any case, Initial Admission and dealings in Ordinary Shares shall commence by no later than 31 December 2018. References to times are to London times.

INITIAL ISSUE STATISTICS

Initial Issue Price per Ordinary Share**	£1.00
Gross Initial Proceeds ***	£150 million
Estimated Net Initial Proceeds****	£147 million
Expected Net Asset Value per Ordinary Share on Initial Admission	98 pence

** The minimum subscription per investor pursuant to the Offer is £1,000 and multiples of £100 thereafter.

*** Assuming that the Initial Issue is subscribed as to 150 million Ordinary Shares.

**** The maximum Gross Initial Proceeds are £200 million with the actual size of the Initial Issue being subject to investor demand. The number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Gross Initial Proceeds, is not known as at the date of this Prospectus but will be notified to the market by the Company via an RIS announcement prior to Initial Admission. The Initial Issue will not proceed if the Gross Initial Proceeds would be less than £100 million. If the Initial Issue does not proceed, subscription monies received will be returned without interest at the risk of the applicant.

EXPECTED SHARE ISSUANCE PROGRAMME TIMETABLE

Publication of Share Issuance Price in respect of each Subsequent Placing	as soon as practicable following the closing of each Subsequent Placing
Subsequent Admission and crediting of CREST accounts in respect of each Subsequent Placing	as soon as practicable following the closing of each Subsequent Placing
Share certificates in respect of Shares to be issued pursuant to the Share Issuance Programme dispatched (if applicable)	as soon as practicable following the closing of each Subsequent Placing
Last date for Shares to be issued pursuant to the Share Issuance Programme	21 November 2019**

¹ The Board may, subject to prior approval from Jefferies, bring forward or postpone the closing time and date for any Subsequent Placing or Intermediaries Offer under the Share Issuance Programme. In the event that such date is changed, the Company will notify investors who have applied for Shares of changes by post, email, or by publication via a RIS.

** or, if earlier, the date on which all of the Shares available for issue under the Share Issuance Programme have been issued (or such other date as may be agreed between Jefferies and the Company (such agreed date to be announced by way of an RIS announcement)).

References to times are to London times.

INTERMEDIARIES OFFERS

Intermediaries Offers

First Intermediaries Offer opens	6 February 2019
Latest time and date for receipt of Intermediaries Offers Application Forms from Intermediaries under the First Intermediaries Offer	3.00 p.m. on 19 February 2019
Second Intermediaries Offer opens	22 May 2019
Latest time and date for receipt of Intermediaries Offers Application Forms from Intermediaries under the Second Intermediaries Offer	3.00 p.m. on 5 June 2019
Third Intermediaries Offer opens	11 September 2019
Latest time and date for receipt of Intermediaries Offers Application Forms from Intermediaries under the Third Intermediaries Offer	3.00 p.m. on 24 September 2019
Final Intermediaries Offer opens	6 November 2019
Latest time and date for receipt of Intermediaries Offers Application Forms from Intermediaries under the Final Intermediaries Offer	3.00 p.m. on 20 November 2019
Publication of Share Issuance Price in respect of each Intermediaries Offer	the Business Day prior to the closing of the relevant Intermediaries Offer
Publication of relevant Share Issuance Price in respect of each Intermediaries Offer	the Business Day prior to the closing of the relevant Intermediaries Offer
Results of each Intermediaries Offer announced	by close of business on the Business Day following the closing of the relevant Intermediaries Offer
Subsequent Admission and dealings in the Shares issued pursuant to each Intermediaries Offer commence	as soon as practicable following the closing of the relevant Intermediaries Offer
Crediting of CREST accounts in respect of the Shares issued pursuant to each Intermediaries Offer	as soon as practicable after 8.00 a.m. on each day the Shares are issued

Prospective investors who apply for Shares in the Intermediaries Offers should consult their Intermediary as to when they will be sent documents in respect of the Shares that they have been allocated and when they may commence dealing in any such Shares following the relevant Intermediaries Offer.

DEALING CODES

ISIN for Ordinary Shares	BGHVZM4
SEDOL of the Ordinary Shares	GB00BGHVZM47
Ticker symbol of the Ordinary Shares	SEIT

Each class of C Shares issued pursuant to a Subsequent Issue made throughout the Share Issuance Programme will have separate ISINs, SEDOLs and ticker symbols issued. The announcement of each Issue of C Shares will contain details of the relevant ISIN, SEDOL and ticker symbol for such class of C Shares being issued.

SUBSEQUENT ISSUE STATISTICS

Number of Shares that may be issued under the Share Issuance Programme (excluding any Ordinary Shares issued pursuant to the Initial Issue)	up to 300 million
Share Issuance Price for Subsequent Issues	in respect of: (a) Ordinary Shares, at a price representing a premium to the latest published NAV per Ordinary Share to be determined by Directors, in their absolute discretion, from time to time; and (b) C Shares, a price of £1.00 per C Share

DIRECTORS, ADVISERS AND OTHER SERVICE PROVIDERS

Directors	Tony Roper (Chairman) Helen Clarkson Christopher Knowles
Registered Office	Asticus Building 2nd Floor 21 Palmer Street London, SW1H 0AD
Investment Manager and AIFM	Sustainable Development Capital LLP Foxglove House 166 Piccadilly London, W1J 9EF
Sponsor, Global Co-Ordinator and Bookrunner	Jefferies International Limited Vintners Place 68 Upper Thames Street London, EC4V 3BJ
Legal advisers to the Company (as to English and US securities law)	Herbert Smith Freehills LLP Exchange House Primrose Street London, EC2A 2EG
Legal advisers to the Sponsor, Global Co-Ordinator and Bookrunner	Gowling WLG (UK) LLP 4 More London Riverside London, SE1 2AQ
Company Secretary	Sanne Group (UK) Limited Asticus Building 2nd Floor 21 Palmer Street London, SW1H 0AD
Administrator	Sanne Group (UK) Limited Asticus Building 2nd Floor 21 Palmer Street London, SW1H 0AD
Depository	Sanne Group Administration Services (UK) Limited Asticus Building 2nd Floor, 21 Palmer Street London, SW1H 0AD
Registrar	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol, BS13 8AE
Receiving Agent	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol, BS13 8AE
Reporting Accountant	BDO LLP 55 Baker St Marylebone London, W1U 7EU
Auditor	PricewaterhouseCoopers LLP 1 Embankment Place, London, WC2N 6RH
Independent Valuer	Grant Thornton UK LLP 30 Finsbury Square London, EC2A 1AG

PART I – INFORMATION ON THE COMPANY

1. INTRODUCTION

The Company is a newly established closed-ended investment company incorporated in England and Wales on 12 October 2018 with registered number 11620959. The Company does not have a fixed life. The Company intends to carry on its business at all times as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010.

Application will be made for the Ordinary Shares to be issued pursuant to the Initial Issue to be admitted to listing on the premium listing category of the Official List and to trading on the premium segment of the Main Market. It is expected that Initial Admission will become effective and that unconditional dealings in the Ordinary Shares will commence at 8.00 a.m. on 11 December 2018.

The Company will be externally managed by Sustainable Development Capital LLP (the “**Investment Manager**”), its AIFM. Further details on the Investment Manager are set out in Part IV (Directors, Management and Administration) of this Prospectus.

Conditional upon, inter alia, the Minimum Gross Initial Proceeds being raised pursuant to the Initial Issue, the Company will acquire the Seed Portfolio on Initial Admission pursuant to the Acquisition Agreement. Details of the Seed Portfolio are set out in paragraph 7 of Part II (Investment Overview, Investment Opportunity and Seed Portfolio) of this Prospectus.

The Company’s investment objective and investment policy are set out immediately below. The Company may make its investments either directly or through one or more Project SPVs, which may in turn be held by a wholly owned UK subsidiary of the Company.

2. INVESTMENT OBJECTIVE AND INVESTMENT POLICY

Investment objective

The Company’s investment objective will be to generate an attractive total return for investors comprising stable dividend income and capital preservation, with the opportunity for capital growth.

Investment policy

The Company intends to achieve its investment objective by investing principally in a diversified portfolio of Energy Efficiency Projects with high quality, private and public sector Counterparties. The contracts governing these Energy Efficiency Projects will entitle the Company to receive stable, predictable cash flows in respect of predominantly operational Energy Efficiency Equipment installed at Counterparties’ premises. The Company’s returns will take the form of Contractual Payments by Counterparties in respect of the relevant Energy Efficiency Equipment used by them.

Whilst the Company will invest predominantly in operational Energy Efficiency Projects, the Company may under certain circumstances invest in Energy Efficiency Projects while such projects are in a construction phase or development phase.

In respect of each type of Energy Efficiency Equipment, the Company will seek to diversify its exposure to engineers, manufacturers or other service providers by contracting, where commercially practicable, with a range of different engineers, manufacturers or other service providers.

Energy Efficiency Projects may be acquired individually or as a portfolio from a single or a range of vendors. The Company may also invest in Energy Efficiency Projects jointly with a co-investor. The Company aims to achieve diversification by investing in different energy efficiency technologies and contracting with a wide range of Counterparties.

The Company will invest and manage its Energy Efficiency Projects with the objective of assembling a high quality, diversified Portfolio.

The Company will initially focus its attention on the UK. It is, however, anticipated that the Company will make investments in continental Europe, North America and, potentially, the Asia Pacific region.

Investment restrictions

In order to ensure a spread of investment risk, the Company has adopted the following investment restrictions:

- no Energy Efficiency Project investment by the Company will represent more than 20 per cent. of Gross Asset Value, calculated at the time of investment;

- the aggregate maximum exposure to any Counterparty will not exceed 20 per cent. of Gross Asset Value, calculated at the time of investment;
- at least 25 per cent. of Gross Asset Value, calculated at the time of investment, will be in respect of Energy Efficiency Equipment based in the UK;
- the aggregate maximum exposure to Energy Efficiency Projects in either a development phase or construction phase will not exceed 35 per cent. of Gross Asset Value, calculated at the time of investment, provided that, of such aggregate amount, the aggregate maximum exposure to Energy Efficiency Projects in a development phase will not exceed 10 per cent. of Gross Asset Value, calculated at the time of investment; and
- the Company will not invest in other UK listed closed-ended investment companies.

Gearing

The Company will maintain a conservative level of aggregate gearing in the interests of capital efficiency, in order to seek to enhance income returns, long term capital growth and capital flexibility. The Company's target medium term gearing will be up to 35 per cent. of NAV, calculated at the time of borrowing (the "**Structural Gearing**").

The Company may also enter into borrowing facilities on a short term basis to finance acquisitions ("**Acquisition Finance**"), provided that the aggregate consolidated borrowing of the Company and the Project SPVs, including any Structural Gearing, shall not exceed 50 per cent. of NAV, calculated at the time of borrowing. The Company would intend to repay any Acquisition Finance with the proceeds of a Share issue in the short to medium term.

Structural Gearing and Acquisition Finance will be employed either at the level of the Company, at the level of the relevant Project SPV or at the level of any intermediate wholly owned subsidiary of the Company, and any limits set out in this Prospectus shall apply on a consolidated basis across the Company, the Project SPVs and such intermediary holding company. It is expected that Structural Gearing and Acquisition Finance will primarily comprise bank borrowings, though small overdraft facilities may be utilised for flexibility in corporate actions.

Use of derivatives

The Company may use derivatives for efficient portfolio management but not for investment purposes. In particular, the Company may engage in full or partial interest rate hedging or otherwise seek to mitigate the risk of interest rate increases and full or partial foreign exchange hedging to mitigate the risk of currency inflation.

The Company will only enter into hedging contracts and other derivative contracts when they are available in a timely manner and on terms acceptable to it. The Company reserves the right to terminate any hedging arrangement in its absolute discretion.

Cash management

Whilst it is the intention of the Company to be fully or near fully invested in normal market conditions, the Company may hold cash on deposit and may invest in cash equivalent investments, which may include short term investments in money market type funds and tradeable debt securities ("**Cash and Cash Equivalents**").

There is no restriction on the amount of Cash and Cash Equivalents that the Company may hold and there may be times when it is appropriate for the Company to have a significant Cash and Cash Equivalent position instead of being fully or near fully invested.

3. CHANGES TO INVESTMENT POLICY

No material change will be made to the Company's investment policy without the prior approval by ordinary resolution of Shareholders.

4. DIVIDEND POLICY AND TARGET RETURN

Whilst not forming part of the investment policy, the Company will aim to deliver, on a fully invested and geared basis:

- an initial target annual dividend yield of 5.0 per cent. by reference to the Initial Issue Price, rising to 5.5 per cent. in the year ending 31 March 2021, and a growing yield thereafter; and

- a target net total return of 7.0 to 8.0 per cent. per annum (net of fees and expenses) by reference to the Initial Issue Price, which the Company will seek to achieve through active management of its Portfolio, prudent levels of leverage and reinvestment of excess cash flows.

It is the Company's intention to pay interim dividends to Ordinary Shareholders on a six-monthly basis. However, the Directors expect to declare an initial interim dividend in relation to the period from Initial Admission to 31 March 2019.

Holders of any class of C Shares will be entitled to participate in any dividends and other 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.

The Company intends to comply with the requirements for maintaining investment trust status for the purposes of section 1158 of the Corporation Tax Act 2010 regarding distributable income. The Company will therefore distribute income such that it does not retain in respect of an accounting period an amount greater than 15 per cent. of its income (as calculated for UK tax purposes) for that period.

5. DISCOUNT MANAGEMENT

The Board recognises the need to address any sustained and significant imbalance between buyers and sellers which might otherwise lead to the Ordinary Shares trading at a material discount or premium to the Net Asset Value per Ordinary Share. While it has not adopted any formal discount or premium targets which would dictate the point at which the Company would seek to purchase Ordinary Shares or issue further Ordinary Shares, the Board is committed to utilising its share purchase and share issuance authorities where appropriate, in such a way as to mitigate the effects of any such imbalance. In considering whether Share buyback or issuance might be appropriate in any particular set of circumstances, the Board will take into account, inter alia: the prevailing market conditions; the degree of NAV accretion that will result from the buyback or issuance; the cash resources readily available to the Company; the immediate pipeline of investment opportunities open to the Company; the level of the Company's existing borrowings; and the working capital requirements of the Company.

The Board will keep Shareholders apprised, on a regular and ongoing basis, of the approach which it has adopted to implementing this discount management policy, principally through commentary in the Company's annual and interim reports.

Share buybacks

The Company has a general authority to make purchases of up to 75 million Ordinary Shares, such authority to expire at the first annual general meeting following 19 November 2018. This general authority is subject to the condition that the number of the Ordinary Shares to be acquired, other than pursuant to an offer made to Shareholders generally, up to the date of the first annual general meeting of the Company, shall not exceed 14.99 per cent. of the Ordinary Shares issued pursuant to the Initial Issue.

In exercising the Company's power to buy back Ordinary Shares, the Board has complete discretion as to the timing, price and volume of Ordinary Shares so purchased. If the Company does purchase its own Ordinary Shares then it may hold them in treasury rather than purchase them for cancellation. Ordinary Shares may only be reissued from treasury at a price which, after issue costs and expenses, is not less than the Net Asset Value per Ordinary Share at the relevant time.

If, in any rolling 3 month period, the Ordinary Shares have, on average, traded at a discount in excess of 5 per cent. to the Net Asset Value per Ordinary Share (calculated by comparing the middle market quotation of the Ordinary Shares on the last London Stock Exchange trading day of each month in the relevant period to the prevailing published Net Asset Value per Ordinary Share (cum income, but exclusive of any dividend declared once the ex-dividend date has passed) as at such month end and averaging this comparative figure over the relevant period), the Company will consider repurchasing Ordinary Shares, subject always to the impact that such repurchase may have on the ability of the Company to meet its target dividend or target net total return or other economic factors that the Board consider it prudent to take into account at the relevant time. The Company may also consider repurchasing Ordinary Shares that are trading at a discount to Net Asset Value per Ordinary Share of less than 5 per cent. or for a period of less than 3 months,

provided that such purchase would be accretive to Net Asset Value per Ordinary Share for continuing Shareholders.

The Directors will not buy back any C Shares prior to Conversion. The Company will not, therefore, assist any class of C Shares in limiting discount volatility or provide an additional source of liquidity.

All repurchases will be conducted in accordance with the Act and the Listing Rules applicable to closed-ended investment funds from time to time and will be announced to the market via an RIS on the same or the following day.

Continuation resolution

The Company has been established with an indefinite life. However, the Board wishes to provide Shareholders with the opportunity to consider the future of the Company on a periodic basis. Accordingly, the Articles provide that a continuation vote be put to Shareholders at the first annual general meeting of the Company to be held following the fourth anniversary of Initial Admission and, if passed, at the annual general meeting of the Company held every third year thereafter.

If the continuation vote is passed by the Shareholders by ordinary resolution, the effect will be that the Company will continue its business as a closed-ended public limited company conducting its affairs as a UK investment trust. If the continuation vote resolution is not passed, the Directors will be required to put proposals for the reconstruction, reorganisation or winding up of the Company to the Shareholders for their approval within six months of the date of the general meeting at which the resolution was proposed. These proposals may or may not involve winding up the Company or liquidating all or part of the Company's then existing portfolio of investments and there can be no assurance that a continuation vote not being passed will necessarily result in a winding up of the Company or liquidation of all or some of its investments.

Share issuance

The Directors have a general authority to allot further Ordinary Shares and C Shares following Initial Admission. The authority permits the issue of Shares up to an aggregate amount of 1 billion Shares. The authority lasts until the end of the period of five years from 19 November 2018. To the extent that the authority is used in full before the end of such period, the Company may convene a general meeting to refresh the authority, or it may refresh the authority at an annual general meeting. Shareholders' pre-emption rights over this unissued share capital have been disapplied so that the Directors will not be obliged to offer new Shares to Shareholders pro rata to their existing holdings.

Pursuant to the authorities described above, the Company may seek to raise further funds through the issue of C Shares rather than Ordinary Shares. C Shares are designed to overcome the potential disadvantages that may arise out of a fixed price issue of further Ordinary Shares for cash. These disadvantages relate primarily to the effect that an injection of uninvested cash may have on the Net Asset Value per Ordinary Share performance of otherwise fully invested portfolios (commonly referred to as 'cash drag').

Except where authorised by Shareholders, no new Ordinary Shares will be issued at a price which (after issue costs and expenses) is less than the Net Asset Value per existing Ordinary Share at the relevant time, unless the new Ordinary Shares are first offered pro rata to Shareholders on a pre-emptive basis.

Application will be made for any Shares issued following Initial Admission to be admitted to listing on the premium listing category of the Official List and to be admitted to trading on the premium segment of the Main Market.

6. 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 in accordance with the Company's valuation policy and in accordance with applicable accounting standards and the Company's constitution. The Net Asset Value per Share is the Net Asset Value divided by the number of Shares in issue at the relevant time (excluding any Shares held in treasury).

An unaudited Net Asset Value and Net Asset Value per Share will be calculated in Sterling by the Administrator on a semi-annual basis, as described below. These will be notified through a

Regulatory Information Service and will also be published on the Company's website at www.sdcleit.com.

The Directors may temporarily suspend the calculation and publication of the Net Asset Value during a period when, in the Directors' opinion:

- a) there are political, economic, military or monetary events or any circumstances which are outside the control, responsibility or power of the Directors and which have either or both of the following effects: (i) disposal or valuation of investments of the Company, or other transactions in the ordinary course of the Company's business, would not be reasonably practicable without material detriment to the interests of Shareholders; and (ii) in the opinion of the Directors, the Net Asset Value cannot be fairly calculated;
- b) there is a breakdown of the means of communication which are normally employed in calculating the Net Asset Value; or
- c) it is not reasonably practicable to determine the Net Asset Value on an accurate and timely basis.

To the extent that the Articles or the Listing Rules require a suspension in the calculation of the Net Asset Value, the suspension will be notified through a Regulatory Information Service as soon as practicable after the suspension occurs.

Valuation methodology

The Investment Manager will be responsible for carrying out the fair valuation of the Portfolio, which will be presented to the Board for its approval and adoption. The fair valuation of the Portfolio will be reviewed by the Company's auditor at each valuation date. The valuation will be carried out on a six-monthly basis as at 31 March and 30 September each year and will be reported on to Shareholders in the annual report and interim financial statements.

The valuation is driven by the fair value of the Company's investments in Energy Efficiency Projects calculated in accordance with IPEV (International Private Equity and Venture Capital) valuation guidelines where appropriate to comply with IAS 39, given the special nature of energy efficiency infrastructure project investments.

Fair value for each investment 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. Each Project SPV produces detailed project life financial models and the Investment Manager will typically take, inter alia, the following into account in its review of such models and make amendments where appropriate:

- the latest applicable legal, financial, technical and insurance due diligence;
- the cash flows which are contractually required or assumed in order to generate the returns;
- project performance against time, activity and other milestones;
- credit worthiness of a Counterparty and delivery partner counterparties (including O&M Contractors and other subcontractors);
- changes to the economic, legal, taxation or regulatory environment;
- claims or other disputes or contractual uncertainties; and
- changes to revenue and cost assumptions.

The Investment Manager will use its judgment in arriving at the appropriate discount rate. This will be based on its knowledge of the market, taking into account intelligence gained from its bidding activities, discussions with financial advisers in the appropriate market and publicly available information on relevant transactions.

All valuations made by the Investment Manager will be made, in part, on valuation information provided by the Project SPVs in which investments have been made. Although the Investment Manager evaluates all such information and data, it may not be in a position to confirm the completeness, genuineness or accuracy of such information or data. In addition, the financial reports provided by the Project SPVs may be provided only on a quarterly or half yearly basis and generally are issued one to four months after their respective valuation dates. Consequently, each half yearly Net Asset Value contains 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.

7. MEETINGS, REPORTS AND ACCOUNTS

The Company expects to hold its first annual general meeting in 2019 and will then hold an annual general meeting each year thereafter. The annual report and accounts of the Company will be made up to 31 March in each year with copies expected to be sent to Shareholders within the following four months. The Company will also publish unaudited interim reports to 30 September each year. The Company's financial statements will be prepared in Sterling in accordance with IFRS.

The first accounting period of the Company will be from the date of the Company's incorporation on 12 October 2018 to 31 March 2019.

Any ongoing disclosures required to be made to Shareholders pursuant to the AIFM Directive will (where applicable) be contained in the Company's periodic or annual reports, on the Company's website, or will be communicated to Shareholders in written form as required.

8. TAXATION

Potential investors are referred to Part VI (Taxation) of this Prospectus for details of the taxation of the Company and of Shareholders in the UK.

Shareholders considering disposing of their Shares are advised to consider their investment objectives and their own individual financial and tax circumstances. Shareholders who are in any doubt as to their tax position should seek professional advice from their own adviser.

PART II – INDUSTRY OVERVIEW, INVESTMENT OPPORTUNITY AND SEED PORTFOLIO

This Part II (Industry Overview, Investment Opportunity and Seed Portfolio) of this Prospectus contains the Investment Manager’s current assessment of a diverse and evolving market by reference to which the Company has adopted its investment objective and policy, and also sets out the investment strategy and approach which the Investment Manager will follow when implementing the Company’s investment objective and policy.

1. INDUSTRY OVERVIEW

The Investment Manager believes that energy efficiency represents a “third pillar” of infrastructure investment, alongside social infrastructure and renewables. Although the energy efficiency market is at an earlier stage of maturity than other comparable sub-sectors, it provides further diversification to an attractive segment, with limited correlation to wider equity markets:

- **Features of energy efficiency:** Energy efficiency involves the efficient supply or reduction of demand for energy in return for medium to long term contractual service payments. The exposure of energy efficiency to variable or “merchant” revenues that depend on demand, or to revenues dependent on regulation, financial gearing, inflation or interest rates, is relatively low compared to already established sub-sectors such as social infrastructure and renewable energy infrastructure.
- **Features of social infrastructure:** Social infrastructure offers investors long term, stable and predictable returns based on revenues that are often government backed. Nonetheless, it tends to be subject to higher levels of dependence on revenues that are subject to changes imposed by government or regulation and to be exposed to higher levels of financial gearing and inflation risk than energy efficiency infrastructure.
- **Features of renewables:** Renewable energy infrastructure shares many characteristics with social infrastructure but, as compared to energy efficiency infrastructure, tends to have higher levels of exposure to volatility in revenues due to availability of renewable energy sources and changes in market power prices.

Energy efficiency: market overview

Most electricity supply in developed markets such as the UK and North America has historically been delivered by large, centralised, grid connected “utility scale” power plants, often using fuels such as natural gas or coal. However, substantial energy losses occur in the generation, transmission and distribution of energy from grid connected power plants. Much of this loss is attributable to the loss of heat associated with the generation process. Overall, this wastage can result in the loss of over 60 per cent. of the energy used to generate electricity. Once delivered to the point of use, over one third of energy can be wasted in many buildings or infrastructure assets, through sub-optimal lighting, heating, ventilation, air conditioning, insulation, management systems, controls or other sources.

Decentralised energy represents a shift away from a centralised system of large-scale energy generation which is reliant on an expansive distribution network. Decentralised energy takes advantage of distributed power and heat solutions based on local generation at or near to the point of use, which can significantly improve efficiency and resilience, and can often be delivered at lower cost than the grid and with little, if any, support from subsidies. Decentralisation in the context of energy efficiency provides three key benefits:

- **Financial performance:** implementation of energy efficiency solutions provides significant cost savings on energy bills and serves to ensure long term pricing stability.
- **Environmental performance:** energy efficient solutions from leading technology and service providers implement advanced technological developments, which seek to deliver reductions in greenhouse gas emissions.
- **Infrastructure performance:** commercially proven solutions with warranties or performance guarantees deliver high-quality outcomes for lighting, HVAC, CHP, BMS controls, processes and optimisation, thereby upgrading infrastructure solutions to drive revenues and deliver significant performance and reliability.

Addressing the market opportunity

Current energy usage is characterised by inefficiency and wastage, with up to 75 per cent. of original energy resources lost in generation, transmission, distribution and end use. The net result of this is that consumers in markets such as the UK may only need 25 per cent. of the energy that is actually used. In many cases, this wastage can be readily addressed through implementation of energy efficiency and decentralised generation measures:

Figure 1: energy efficiency versus decentralised energy

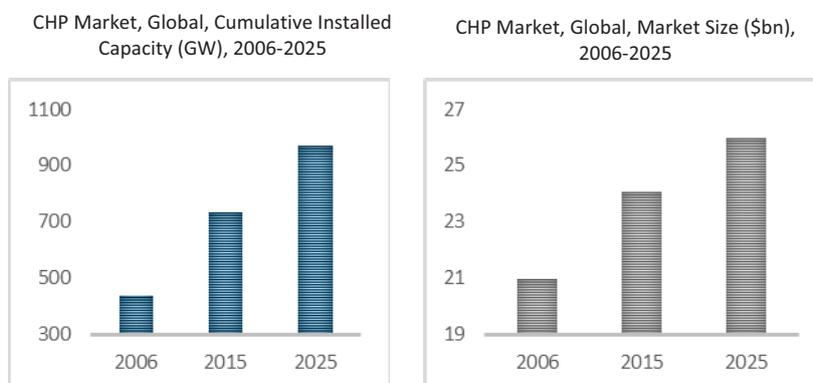
Energy efficiency	Decentralised energy
<ul style="list-style-type: none"> ▪ LED lighting ▪ Heating Ventilation and Air Conditioning (HVAC) ▪ Building management systems and controls 	<ul style="list-style-type: none"> ▪ Combined heat and power, rooftop solar PV ▪ Grid efficiency, flexibility, capacity markets, storage ▪ Infrastructure efficiency, interconnectors and repowering
<ul style="list-style-type: none"> ✓ Can reduce energy demand in buildings by 35% – 65% depending on technology ✓ Can result in significant reductions in greenhouse gas emissions ✓ Reduced energy and maintenance costs, creating significant savings ✓ Can improve both economic productivity and help to drive revenues 	<ul style="list-style-type: none"> ✓ Can reduce grid generation, transmission and distribution losses from c.65% to c.15% ✓ Energy security and resilience through independence from grid ✓ Can create cleaner, lower carbon heat and power on site ✓ Lower cost heat and power supply over the medium to long term

The energy efficiency market has gained considerable traction in recent years, with end-users of energy identifying CHP and LED lighting as playing a key role in the energy transition, which has seen a move towards distributed generation and more efficient use of energy.

Global CHP market

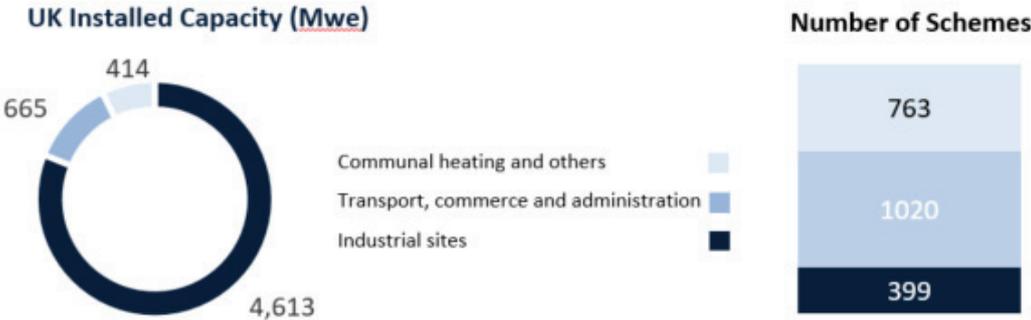
The global market for CHP is well established and growing rapidly and the Investment Manager believes that the global installed capacity of the CHP market is set to increase to 972GW by 2025 from a level of 437GW in 2006. This reflects a market size of US\$26 billion in 2025, an increase of US\$5 billion.

Figure 2: Global CHP market



As illustrated by Figure 3 below, the installed capacity in the UK currently stands at 5.7GW, across 2,182 businesses, with an additional 4.0GW expected by 2025.

Figure 3: CHP capacity in the UK

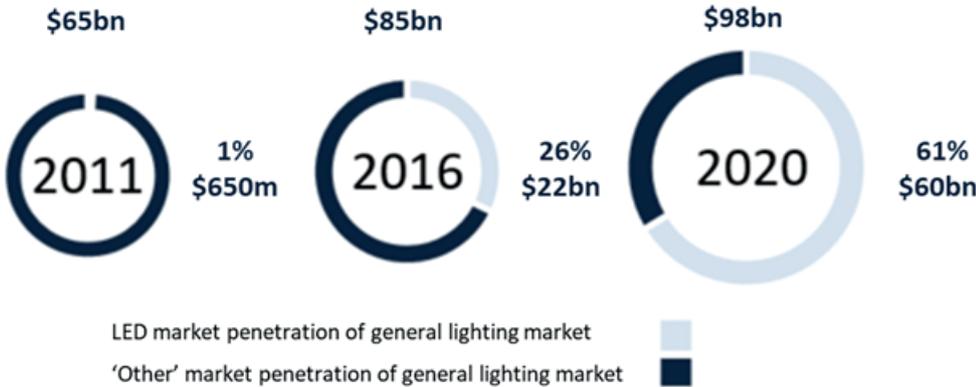


Global LED market

The International Energy Agency predicts that by 2020, implementation of energy efficient lighting will reach 61 per cent., up from 26 per cent. in 2016. The size of the LED market is expected to reach US\$60 billion by 2020.

Figure 4: Global lighting market / LED market penetration

Global lighting market / LED market penetration



Market scalability

The Investment Manager believes that market penetration for energy efficiency is currently low and set for rapid growth, Key drivers of increasing demand for efficient and decentralised energy solutions include:

Cost efficiency

High electricity prices in resource-constrained markets such as the UK and North-East USA, combined with relatively low natural gas prices, present an attractive incentive for alternative sourcing of lower cost and lower carbon energy through CHP.

Distributed or on-site energy generation solutions such as CHP and rooftop solar can result in energy costs being reduced below those available from the grid and is not reliant on government concessions, subsidies or market incentives, resulting in reduced regulatory risk.

The Investment Manager believes that many end users of energy that have successfully applied distributed energy and energy efficiency solutions in the past are now motivated to scale up or roll out successful applications, driven by the opportunity for energy cost reductions as well as lower emissions and increased reliance.

Reliability

The market faces increased concerns over reliability of energy supply, with energy security and system resilience challenged by large-scale coal and nuclear retirement programmes which negatively impact future reliability. In addition, grid constraints, which are the result of increased demand and ageing infrastructure, also present challenges to the long term reliability of current energy infrastructure.

There is increased market demand for equipment to be available throughout the year, which results in the need for baseload technology solutions, with up to 99.999 per cent. availability and close to zero intermittency.

Corporate capex budget reductions

On-site energy and energy efficiency investments are often considered non-core for corporates. They compete for capital, often unsuccessfully, with core business. The specialist skills, project management, management time and risks involved, together with capital expenditures with extended payback periods often mitigate against projects being funded and implemented. In recent years, this trend has been exacerbated for rated companies because capex as a percentage of turnover is an increasing focus for rating agencies.

Financing, such as that provided in the context of Energy Efficiency Projects, can serve to reduce or eliminate capex and risk for the Counterparty, where solutions can be delivered as a service in return for performance related payments throughout the life of a project. This can represent good value for money as well as unlocking benefits from projects that may not otherwise have been undertaken.

Technology scale up

Proven solutions at the smaller scale of the market are now being developed for implementation at a commercial scale. Previous solutions developed in the 3 to 6 MW range are now being applied at large scale of 100MW plus, such as CHP with absorption chilling for IT and industrial facilities.

As distributed energy continues to gain increased market acceptance and traction, the evolution and deployment of projects will continue to scale up, with natural gas CHP engines growing from 6MW to 10MW. In addition, improvements in LED performance will help lead to increased market penetration and widespread adoption of this technology.

Carbon emission reduction targets

A market focus on the securing of green corporate PPAs by leading market participants such as Google, Inc. (100%) and Apple, Inc. (100%) have been largely fulfilled. The Investment Manager believes that the next stage for corporates concentrating on reducing carbon emissions is to focus on generating their own energy, in which distributed generation can play a significant role.

The Investment Manager believes that an attractive investment opportunity is created by this increased focus on, and increased bandwidth across the industry for, decentralised solutions such as energy efficiency achieved through on-site, clean self-generation.

2. INVESTMENT OPPORTUNITY

The Investment Manager believes that the energy efficiency market represents an attractive investment opportunity for the reasons set out below.

Non-correlated absolute returns

The contractual revenue payment-based returns generated through Energy Efficiency Projects have limited correlation to both equity markets and the other constituents of the listed infrastructure market. The nature of the contracts shields the Energy Efficiency Projects from market volatility and the nature of the Energy Efficiency Projects also ensures that they have limited exposure to changes in power pricing. Furthermore, the nature of the investments provides the opportunity to build a portfolio across a number of uncorrelated market sectors, allowing for significant diversification in Energy Efficiency Projects.

Stable and predictable cash flows

The Company will derive its return on its investments primarily through receipt of availability or savings-based cash flows through the life of the Energy Efficiency Projects in which it invests, once they are operational. These are calculated upfront based on the availability or the output of heat

and electricity or other energy related services, or based on the savings that will be achieved. Where revenues are linked to savings, the anticipated energy consumption after implementation of an Energy Efficiency Project is compared to the consumption beforehand. Energy savings in kWhs are typically ascribed a monetary value by applying the prevailing energy cost at the time the baseline is set with an agreed energy price inflation index. In this way, the Company does not take risk associated with the cost of energy or fluctuations in the Counterparty's demand for energy.

Once operational, Energy Efficiency Projects provide attractive levels of cash distributions and running yield, and are designed to achieve relatively high, stable and predictable cash flows. The quality of this running yield is enhanced through investment in Energy Efficiency Projects with strong delivery partners where risks to implementation and operation and the associated revenues and costs can be identified and mitigated.

The stability and long term visibility of revenues derived from the contracts at operational phase provides support for an attractive and growing yield to be returned to investors.

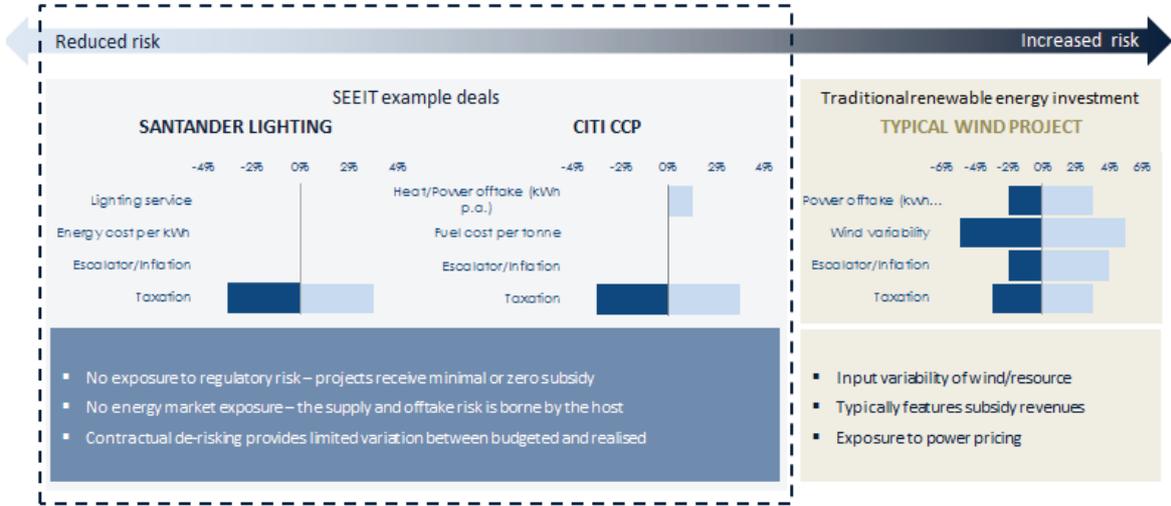
Projects benefit from reduced variability and increased certainty of returns

Energy Efficiency Projects benefit from reduced variability and increased certainty of returns compared to renewable energy assets.

Unlike renewable energy assets, Energy Efficiency Projects are not typically subject to substantial regulatory risk exposure, as the projects are less reliant, or not reliant at all, on subsidy-based revenues. Furthermore, the contracts are not typically subject to energy market exposure, as all supply and offtake risk is typically borne by the Counterparty. The contractual risk reduction afforded by these measures ensures limited variation between budgeted and realised returns.

Figure 5 below reflects the different risk profiles of two assets in the Seed Portfolio and a traditional renewable energy infrastructure wind project.

Figure 5: illustrative risk profile of Energy Efficiency Projects



Limited competition/wide range of potential Counterparties

The Company benefits from the experience of the Investment Manager, which has developed a strong track record for delivery of energy efficiency and distributed energy projects. The expertise and track record of the Investment Manager are somewhat rare in the market, particularly for financial counterparties as opposed to utilities and energy services or engineering groups.

The Company therefore provides an opportunity for Counterparties to realise value from non-core assets and/or achieve balance sheet relief through a sale of assets to a knowledgeable and well capitalised financial investor, which is capable of ensuring high levels of operational performance.

Whilst the Investment Manager believes that the Company faces limited competition, the range of Counterparties with which it is able to deal is, nevertheless, relatively wide. These potential Counterparties range from end users of energy seeking to re finance or dispose of on-site energy assets, to financial Counterparties seeking to achieve liquidity through the secondary market and/or

to restructure finance leases, and also include utilities and energy services companies seeking to dispose of non-core, sub-scale or specialist assets.

Energy efficiency and distributed energy assets are often installed on-site at the premises of creditworthy Counterparties that are heavy end users of energy, such as commercial and industrial businesses, hospitals and other public sector entities.

Target Counterparties, EPC Contractors and O&M Contractors of a certain standing

The Investment Manager seeks to mitigate counterparty risk by spreading exposure across a diversified group of high quality Counterparties and through using a range of established EPC Contractors and O&M Contractors.

Each potential Counterparty and, where relevant, each EPC Contractor and O&M Contractor is subject to the Investment Manager's stringent credit risk assessment, due diligence and project management process, which comprises several layers of diligence:

- Initial quantitative credit check screening;
- Qualitative and quantitative due diligence;
- Credit enhancement (if appropriate and available through insurance) including parent company guarantees; and
- In the case of Counterparties, the potential to suspend or terminate energy services if payments are not made.

Exploitation of upside opportunities by using the knowledge and expertise of the Investment Manager

The Investment Manager has accumulated what it believes to be a strong understanding and track record of making Energy Efficiency Project investments in public and private sector buildings and infrastructure assets since 2012, through a programme of specialist funds in the UK, Europe, North America and Asia.

The Investment Manager brings financial, legal, technical, operational and commercial expertise and investment experience in the private equity, infrastructure, real estate and energy sectors. The Investment Manager also has access to a wide network of relevant relationships and its work with financial institutions, major energy services companies, facilities managers, project developers, engineers and governmental and non-governmental organisations internationally. These make it well placed to bring significant value to the Company. The Investment Manager is able to draw on this expertise in order to source, evaluate, structure, develop, finance, implement and project manage high quality Energy Efficiency Projects.

The Investment Manager utilises its market knowledge to exploit new opportunities with existing Counterparties that may arise from new or improved energy efficient technologies. For example, the Investment Manager will maintain relationships with existing Counterparties throughout the term of the relevant Energy Efficiency Project such that, whether at the expiration of the Energy Efficiency Project or sooner, should new or improved technologies become available, the Investment Manager may be able to renegotiate the terms of the Energy Efficiency Project to provide for the installation of new Energy Efficiency Equipment at the premises. The Investment Manager will aim to use this re negotiation to secure an extension of the term of the project and an increase of the Contractual Payments due in respect of the Energy Efficiency Project.

3. INVESTMENT APPROACH

The Company will invest primarily in operational Energy Efficiency Projects. The Investment Manager believes this will deliver an appropriate risk-adjusted internal rate of return and dividends and other income to enable the Company to meet its investment objective, with a view to creating a balanced Portfolio with exposure across a range of technologies, Counterparties and energy performance services providers. The primary focus will be in operational energy efficiency and distributed generation and grid efficiency projects.

The Company defines an “**Energy Efficiency Project**” as a project, the objective of which is to achieve one or more of the following criteria:

- reduce energy consumed and/or related greenhouse gas (“**GHG**”) emissions arising from the existing and/or future supply, transmission, distribution or consumption of energy;

- reduce its Scope 1 GHG emissions (“Direct GHG emissions occur from sources that are owned or controlled by the company”) and Scope 2 GHG emissions (“electricity indirect GHG emissions from the generation of purchased, or generated on-site, electricity consumed by the company”) as defined by the GHG Protocol;
- increase the supply of renewable energy generated on the premises of a Counterparty or generated at a site directly connected to the premises of a Counterparty;
- reduce emissions and energy consumption in non-domestic sectors, which include:
 - o all forms of energy supply, conversion, distribution or transmission not originating within a private domestic dwelling, including district heating systems and CHP systems;
 - o demand for energy in non-domestic buildings including commercially owned or used property and public sector owned buildings;
 - o demand for energy in industrial and light manufacturing plant and machinery, operations and logistics; and
 - o through the deployment of energy efficiency measures in public and private infrastructure, such as in utilities (including the installation of smart metering equipment) and street lighting; or
- otherwise satisfy, in the Investment Manager’s reasonable opinion, any other criteria or measurement of energy efficiency in an industry or sector, or by using energy efficiency technologies that are compatible with the Company’s investment objective and policy.

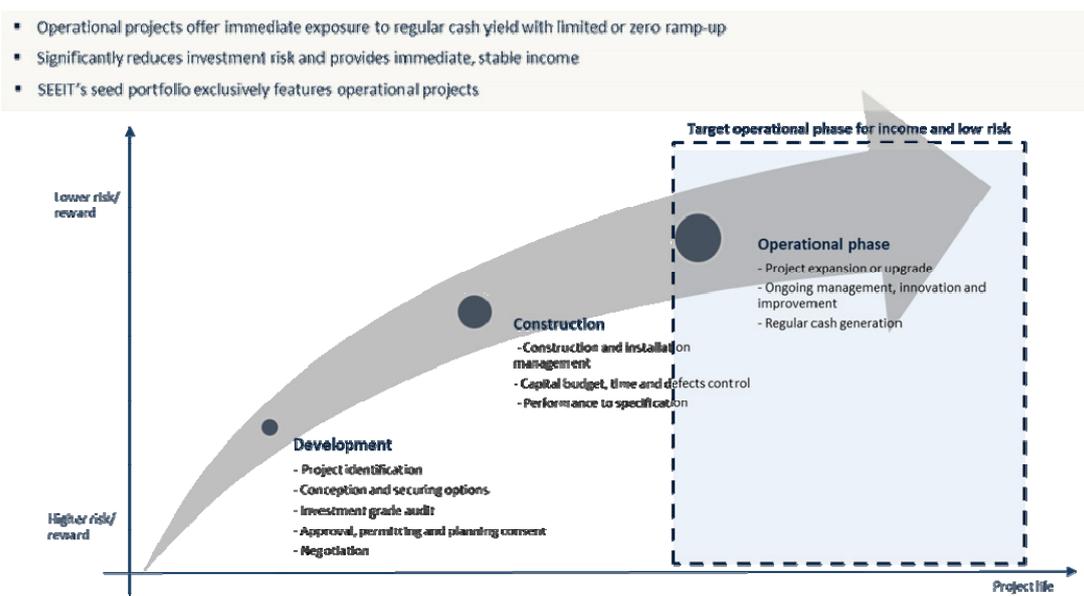
The Company generally intends to buy and hold Energy Efficiency Projects for the long term. Over the long term, the Company aims to enhance the capital value (both through acquisitions and organic portfolio growth) of its Portfolio and the income derived from each Energy Efficiency Project.

Energy Efficiency Projects will be sourced by the Investment Manager. Investments may take the form of single assets or portfolios of multiple assets.

Operational Asset focus

The Company will source investment in Energy Efficiency Projects that are operational but may also invest, to a more limited extent, in construction phase projects that are capable of generating income in the short term as well as those, such as are represented in the Seed Portfolio, that are at a late stage of construction.

Figure 6: Focus on operational assets



Investments in construction and development phases

The Company will not invest more than 35 per cent. of Gross Asset Value, calculated at the time of investment, in Energy Efficiency Projects that are in either a development or construction phase,

provided always that no more than 10 per cent. of Gross Asset Value may be committed to Energy Efficiency Projects at development phase, calculated at the time of investment.

The Investment Manager expects that exposure to Energy Efficiency Projects that are in either a development or construction phase will be limited to pre-existing commitments in the Seed Portfolio and, to a limited extent, to exposure to Energy Efficiency Projects that the Investment Manager considers can be commissioned within a short period of time following commitment and at low risk that the commissioning of the Energy Efficiency Project will overrun (both in terms of time and budget),

In deciding whether to invest in Energy Efficiency Projects that are in their construction or development phase, the Investment Manager will have regard to the following criteria:

- the type of Energy Efficiency Equipment comprising the Energy Efficiency Project;
- the anticipated timeframe to complete the installation and construction phase;
- the nature and stature of the Counterparty and the proposed EPC Contractors;
- the risks inherent in the Energy Efficiency Project, such as the financial and operation standing of the Counterparty and the risk that the completion of the construction or development of the Energy Efficiency Project is delayed or is abandoned;
- the resources (in both financial and time measurements) that will need to be devoted to the Energy Efficiency Project; and
- the overall composition of the Portfolio and impact on the Company's financial model and its ability to meet its target dividend and target return.

Structuring investments in the Energy Efficiency Projects

The Company may make its investments either directly or through one or more Project SPVs, which may in turn be held by a wholly owned UK subsidiary of the Company.

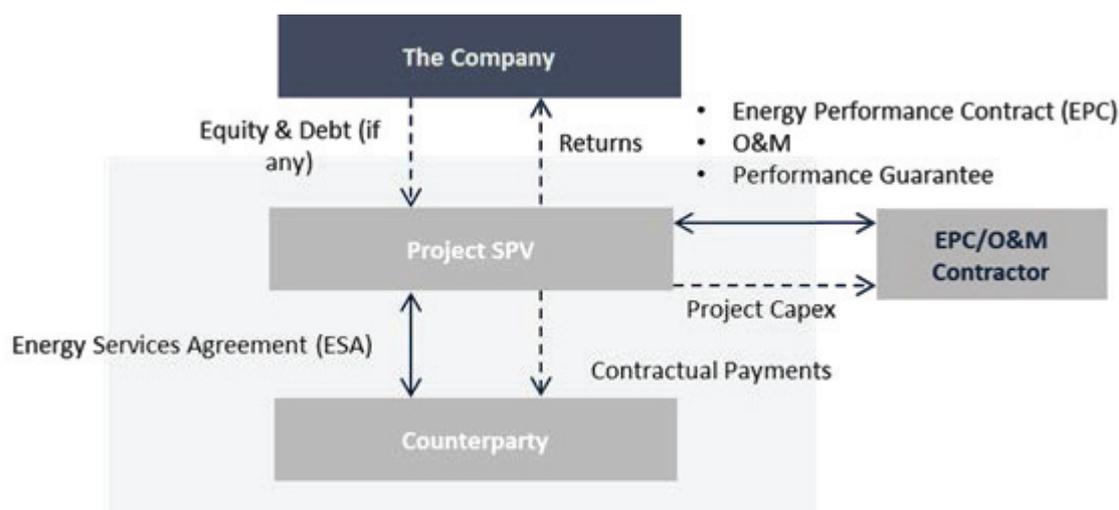
Using Project SPVs

In the majority of cases, the Investment Manager will seek to use a Project SPV to finance and own individual Energy Efficiency Projects. Across the industry, Project SPVs are used to structure project investments to allow, for example, for individual projects to be financed on a non-recourse basis to the rest of an investor's portfolio or to facilitate a subsequent sale.

The Company will seek to procure control over the Project SPVs to enable the Investment Manager to effectively monitor and manage the relevant Energy Efficiency Project. Typically, the Company will own the equity interests in the Project SPV directly and, therefore, achieving such control by virtue of the voting rights attaching to such shares, together with board representation on the Project SPV. In circumstances where the Company does not own the equity interests in the Third Party SPV, or only owns a minority interest, the Company will seek to replicate such control through contractual protections in either the contracts with the Third Party SPV underpinning the relevant Energy Efficiency Project or in any shareholders agreement relating to the Third Party SPV.

The Company will typically invest in Energy Efficiency Projects through a simple Project SPV structure, as outlined in Figure 7, below.

Figure 7: Example energy efficiency investment contracting structure



1. The Counterparty enters into an ESA with the Project SPV, which funds and implements the Energy Efficiency Project in return for a Contractual Payment
2. The Project SPV owns the Energy Efficiency Equipment and/or has security over the Energy Efficiency Equipment until the end of the relevant project or contract term.
3. The Project SPV sub-contracts the implementation to the energy services company (i.e. the EPC Contractors and the O&M Contractors), which in each case will be funded by the Company.
4. The sub-contracts with EPC Contractors and O&M Contractors typically provide back-to-back guarantees as to construction and O&M services (as applicable), together with ongoing performance and availability guarantees.

Alternative structures

The Company may also make loans directly to third parties rather than making investments in Energy Efficiency Projects via Project SPVs in circumstances where the risk-return profile of such investments is considered attractive, and an equivalent level of security can be achieved. Such investments may be made by means of senior or subordinated debt investments or leases.

Investment restrictions

In applying the investment restrictions set out in the Company's investment policy, the Investment Manager will always have regard to the particulars of the underlying Energy Efficiency Projects on a look-through basis, irrespective of how the Energy Efficiency Project is structured.

Exploring co-investment opportunities

As set out in the Company's investment policy, the Company may co-invest in Energy Efficiency Projects alongside one or more co-investors, which could include investment companies, other financial investors or strategic investors in the relevant sector. Certain of the Seed Projects and Investment Opportunities set out in paragraph 7 of this Part II (Industry Overview, Investment Opportunity and Seed Portfolio) of this Prospectus are arranged as co-investments or joint ventures between the Seller Funds and one or more co-investors, including, the Seed Projects set out in paragraphs 7.2.1(C), 7.2.5(A) and 7.2.4(B), and the Investment Opportunities set out in paragraphs 7.2.6(A) and 7.2.6(B).

The Investment Manager will consider co-investment opportunities where it believes such opportunities to be in the best interests of the Company, or in order to manage the Company's exposure to an Energy Efficiency Project or Counterparty, so as to ensure compliance with the investment restrictions contained in the Company's investment policy. When assessing whether to invest in an Energy Efficiency Project alongside a co-investor, the Investment Manager will carry out due diligence on the co-investor in order to satisfy itself that the co-investor is of good financial standing. The Investment Manager considers that the Company could invest alongside a wide range of potential co-investors, including investment funds with a similar investment objective (including other SDCL Clients), developers, utility companies, project owners, energy service

companies or financial intermediaries. The appropriateness of each type of co-investor will depend on the characteristics of the relevant Energy Efficiency Projects, and will be assessed by the Investment Manager as part of the aforementioned diligence process in each case. Where such co-investor is an SDCL Client, the Board will be consulted prior to making any investment.

4. INVESTMENT PROCESS

The Investment Manager will have responsibility for sourcing, financing, managing and exiting investment opportunities.

Sourcing the potential Energy Efficiency Projects

The Company’s investment approach will focus on securing operational Energy Efficiency Projects in targeted market sectors and focus on high-quality Counterparties within each. Figure 8, below, sets out examples of key market sectors:

Figure 8: key market sectors

Private Sector	Public sector
<i>Data centres</i>	<i>Healthcare</i>
<i>Industrial facilities</i>	<i>Education</i>
<i>Banks/commercial buildings</i>	<i>Local authorities</i>
<i>Hotels</i>	<i>Government buildings</i>
<i>Logistics</i>	<i>PFI contract variations</i>

The Investment Manager will source potential projects through its long standing relationships with third party developers, utility companies, project owners, energy service companies, financial intermediaries and directly from Counterparties.

Each prospective investment will be assessed against the Company’s investment objective and investment policy and, if considered potentially suitable, an initial analysis and review of the opportunity will be undertaken. Each opportunity will be scrutinised on the basis of the investment criteria outlined below.

Sourcing: Investment criteria

The Company will employ established criteria and portfolio construction guidelines in selecting investments, requiring operating history with proven technologies, plant, equipment and processes capable of generating recurrent cash flows.

The Company will seek to invest in Energy Efficiency Projects with the some or all of the following characteristics:

- operational assets installed at energy intensive and inefficient commercial and public buildings and facilities and in industrial sites;
- projects utilising commercially proven technologies, with an appropriate level of warranties and performance guarantees;
- contracting with energy efficiency equipment vendors and manufacturers, subcontractors and Counterparties who are strong credit counterparties;
- passing performance risks down to EPC Contractors, O&M Contractors, subcontractors, energy efficiency equipment vendors and manufacturers via warranties and guarantees;
- based upon measured and verifiable savings criteria as set forth in an ESA governing the terms on which energy savings are apportioned between the Counterparty and the Project SPV;
- projects based in the key target markets of the UK, Europe, or North America;
- achieving economies of scale, either individually or through aggregation;
- appropriate ESG warranties shall be secured from each Counterparty; and
- ability to achieve significant reductions in energy use and consequently emissions of greenhouse gases and other pollutants.

In determining the allocation of investments, the Investment Manager will have regard to the diversification and spread of risk in the Portfolio as a whole, the availability of appropriate Energy Efficiency Projects for inclusion in the Portfolio, the valuations of investments suitable for the Portfolio and such other prudential factors as the Investment Manager deems appropriate.

Sourcing: Due diligence and execution

Once a potential opportunity that falls within the Company's investment policy has been identified and the Investment Manager wishes to proceed with the acquisition of such project, the Investment Manager will undertake further analysis on the Energy Efficiency Project and prepare a first investment paper, which sets out details of the results of the analysis, investment structure, investment rationale, risks and returns, capital expenditure budget, proposed revenue model, necessary future steps required to engage into such investments and recommendations.

Based on the first investment paper, the Investment Manager will determine whether further detailed financial, legal and technical due diligence should be carried out by the Investment Manager's deal team and/or third party firms and advisers, or whether to proceed with the further negotiation of deal terms with the relevant counterparties. Once the decision to proceed has been made, the Investment Manager will be responsible for further business due diligence, while the appropriate financial, tax, legal, technical and other due diligence process will be conducted by third party firms and/or advisers.

The Investment Manager will also negotiate the transaction terms with relevant counterparties such as developers, EPC contractors, O&M contractors, advisers and revenue counterparties, where applicable.

Once the detailed due diligence process has been completed, the Investment Manager's deal team will prepare a second investment paper which comprises details of investment opportunity, risks and returns, investment structure based on due diligence process and final contract terms, as a result of negotiations, as well as a financial model illustrating risk and return in scenario and sensitivity analysis as appropriate.

The Investment Manager will then decide on whether to make the investment or not. The Investment Manager will notify the Board of its decision prior to making the investment into an opportunity or sale of an asset.

Where the Investment Manager intends to acquire Energy Efficiency Projects from another SDCL Client, the Investment Manager will approach the Board at the earliest opportunity to discuss any additional diligence or comfort, such as independent valuation or audits of the Energy Efficiency Projects. The Investment Manager shall not execute an acquisition of any Energy Efficiency Projects from another SDCL Client without prior Board approval.

Management: Monitoring and oversight of the Portfolio

Prior to the execution of the investment in an Energy Efficiency Project, the Investment Manager will propose and agree the scope and frequency of the reporting requirements based on risk, availability of data and characteristics of each investment.

Following the successful acquisition of an investment, the Investment Manager will apply the agreed post-investment monitoring processes and will actively assess portfolio risk and performance – a typical investment may include execution of revenue strategy, financials, operational performance and financial projections.

The Investment Manager will monitor the ongoing operation of the Portfolio and each Energy Efficiency Project. At project level, the Investment Manager's deal team will work closely with third-parties to monitor revenue contracts, cash flow level, periodic onsite due diligence and review financial model to assess actual return of the projects based on actual operational performance.

Management: Operational management

Typically, the Counterparty will operate the project equipment and will do so in accordance with the O&M specifications imposed by the ESA and the equipment manufacturer. The O&M Contractor, under the guidance of the team, will supervise the operation of the project equipment and perform on-going post-installation performance monitoring and calculation of savings performance to ensure they are being operated as intended to deliver the estimated savings.

The Company will maintain control of Company SPVs through board representation and shall seek to replicate a similar level of control of Third Party SPVs through contractual arrangements with the

Third Party SPV. The Investment Manager will monitor receipt of contracted income and take active steps to remedy (for instance through enforcement of contracts with the Counterparty or O&M Contractors as the case may be) and generally retain rights to step in to replace subcontractors in the event of underperformance.

The team consists of investment professionals with experience in asset management and managing construction and O&M Contracts.

Management: Mitigating other risks

Counterparty-credit risk, being the risk of the Counterparty's inability (or lack of willingness) to make the Contractual Payments, is mitigated through a qualitative and quantitative credit assessment and, where appropriate and where available on a cost-effective basis, through credit enhancement or parent company guarantees (or both).

Performance risk, being the risk that the energy efficiency solution delivered does not result in the expected savings, is mitigated through:

- performance guarantees from energy service companies, including O&M Contractors and EPC Contractors; and
- for smaller energy service companies, qualitative risk assessment is undertaken

Technology risk, being the risk that the Energy Efficiency Equipment used in the Energy Efficiency Project fails, is mitigated through using commercially proven technologies with strong track record and equipment warranties.

Operating and maintenance risk, being the risk that the Energy Efficiency Equipment is not maintained resulting in equipment failure and financial loss, is mitigated through:

- using O&M Contractors with a strong local track record;
- ensuring that the O&M Contract matches the life of the performance guarantee, with operational failure covered by the performance guarantee; and
- ensuring that the inability of the Counterparty company to meet the terms of the O&M, is covered under the terms of the energy service agreement (ESA) and may result in termination.

Feedstock risk, being the risk that the availability of feedstock drops (or the price of feedstock rises), adversely affecting the project's financial performance, is mitigated through:

- ensuring that the Counterparty will have supply arrangements in place, where feedstock is required;
- where it is not suitable for the Counterparty to source the supply of feedstock, ensuring that the Investment Manager contracts with established suppliers with local presence and strong credit; and
- In case of any shortage in supply, ensuring that any feedstock supply contracts provide for pre-determined payments 'liquidated damages' to be payable by the supplier.

Exiting investments

The Company intends to hold each Energy Efficiency Project until the end of its life. However, the Company may choose to sell its interest in an Energy Efficiency Project before the end of its project life if there is an attractive offer from a buyer where the valuation is equal to or higher than the net asset value of the specific asset, or to use the proceeds to fund an attractive future investment opportunity, or in order to make a distribution to Shareholders in accordance with the Company's dividend policy.

5. INVESTMENT ALLOCATION AND CONFLICT MANAGEMENT

It is the Investment Manager's policy to allocate investment orders fairly and equitably across all clients participating in any given order. From time to time, the Investment Manager may be required to allocate certain investment opportunities between the Company and other investment vehicles and clients to which it (or any of the SDCL Affiliates) provides services (the Company and such other investment vehicles and clients referred to collectively as "**SDCL Clients**"). The Investment Manager has established procedures to address allocation of investment opportunities between SDCL Clients and any conflicts of interest which may arise in such circumstances.

The Investment Manager’s obligations to SDCL Clients contain exclusivity provisions in relation to Energy Efficiency Projects. Any potential conflicts of interest will be notified to the Board and relevant governance bodies of other SDCL Clients.

6. TRACK RECORD

The SDCL Group currently manages four existing institutional private equity infrastructure funds that are nearing the end of their investment periods.

The existing funds managed by members of the SDCL Group (together with their assets under management figures at launch) are: UK Energy Efficiency Investment Fund (£104.1 million), Ireland Energy Efficiency Investments Fund (€73 million), New York Energy Efficiency Investments Fund (US\$80 million, including US\$30 million equity) and Singapore Energy Efficiency Investments Group (up to SGD100 million, including SGD 20 million equity).

There are no losses or impairments across the existing funds’ investment portfolios. No member of the SDCL Group has had a portfolio company or project file for bankruptcy or fail to make payments under any secured or unsecured indebtedness during the Investment Manager’s period of ownership.

The most appropriate return benchmark for private infrastructure on the market is to exceed, on a net-of-fees basis, a target return equal to the Consumer Price Index (“CPI”) plus four per cent. (4%). This is the benchmark used by a number of leading real assets investors. As set out in Figure 9, below, all of SDCL Group’s existing funds outperform this benchmark.

Figure 9: The Investment Manager’s track record and target returns across a number of private investment funds

Fund	Vintage	Fund Size at launch	Performance/ Target Returns
SDCL UK Energy Efficiency Investment Fund I	2012	£104.1m	10 per cent. IRR (assuming exit via sale to the Company in December 2018)
Ireland Energy Efficiency Investments Fund	2014	EUR 73m	On target to meet or exceed expected returns
Singapore Energy Efficiency Investments Group	2014	SGD 20m (plus gearing)	On target to meet or exceed expected returns
New York Energy Efficiency Investments Fund	2015	USD 30m (plus gearing)	On target to meet or exceed expected returns

7. SEED PORTFOLIO

7.1 Overview

The Company, through its wholly owned subsidiary, SEEIT HoldCo, will acquire the Seed Portfolio on Initial Admission, conditional, inter alia, upon the Minimum Gross Initial Proceeds being raised pursuant to the Initial Issue. The Seed Portfolio will be acquired pursuant to the Acquisition Agreement, details of which are set out at paragraph 11.7 of Part VII (Additional Information on the Company) of this Prospectus.

The Seed Portfolio comprises nine Energy Efficiency Projects, diversified across various sectors plus three contracted Investment Opportunities with identified Counterparties totalling £30 million, which have not yet been drawn down.

As illustrated by Figure 10 below, a breakdown of the Energy Efficiency Equipment in the Seed Portfolio (by value and as a percentage of the value of the Seed Portfolio (assuming a valuation of the Seed Portfolio of £57 million)), by type, contract length and sector is as follows:

By Energy Efficiency Equipment:

- **Lighting:** £22.0 million (representing 38.8 per cent. of the value of the Seed Projects);
- **CCHP:** £5.0 (representing 8.7 per cent. of the value of the Seed Projects);
- **Gas boilers:** £14.3 (representing 25.2 per cent. of the value of the Seed Projects);
- **Biomass:** £14.8 (representing 26.1 per cent. of the value of the Seed Projects); and
- **Other** (including multi-technology assets): £0.6 (representing 1.1 per cent. of the value of the Seed Projects).

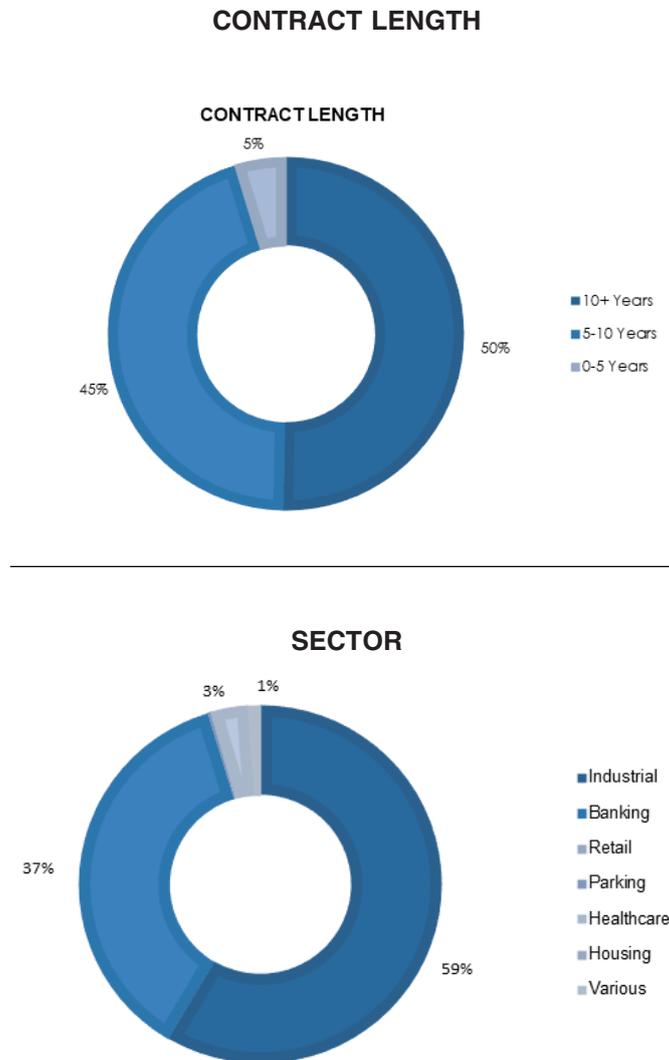
By contract length:

- **0 to 5 years:** £2.7 (representing 4.7 per cent. of the value of the Seed Projects);
- **5 to 10 years:** £25.6 (representing 45.0 per cent. of the value of the Seed Projects); and
- **10+ years:** £28.6 (representing 50.3 per cent. of the value of the Seed Projects).

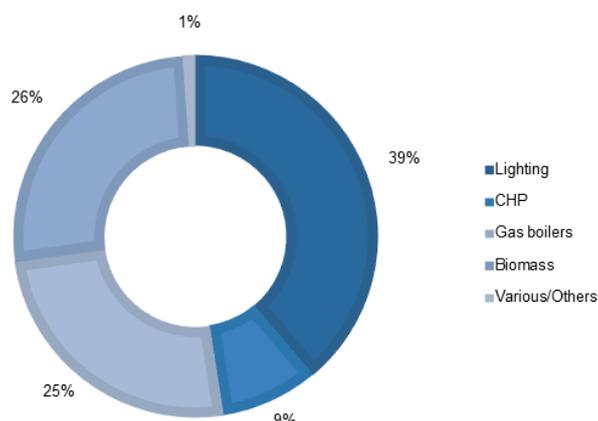
By sector:

- **Industrial:** £33.2 (representing 58.5 per cent. of the value of the Seed Projects);
- **Banking:** £20.9 (representing 36.8 per cent. of the value of the Seed Projects);
- **Healthcare:** £1.9 (representing 3.3 per cent. of the value of the Seed Projects)
- **Parking:** £0.2 (representing 0.3 per cent. of the value of the Seed Projects); and
- **Various:** £0.6 (representing 1.1 per cent. of the value of the Seed Projects).

Figure 10: Diversification of Seed Portfolio



ENERGY EFFICIENCY EQUIPMENT



7.2 Characteristics of the Seed Portfolio

Paragraphs 7.2.1 to 7.2.6 below set out details of the key characteristics of the Seed Portfolio, including the relevant weighting of each Seed Project and Investment Opportunity, the ownership structure, the length of term remaining on each Seed Project and Investment Opportunity, any key contractual terms relating to the Seed Project or Investment Opportunity, such as KPI provisions or termination rights, and some of the key Counterparties and subcontractors (including O&M Contractors) involved with each Seed Project and Investment Opportunity.

7.2.1 Lighting technology

(A) Santander

This Seed Project involves the installation of LED lighting in over 800 of Santander's offices and branches across the UK. BMS controls, processes and optimisation and HVAC units have also been installed in certain offices.

Structure

The Selling Funds acquired a Project SPV, wholly owned by the Selling Funds, which contracts directly with the Counterparty (Santander). The Project SPV acquired the assets and was responsible for their installation. The installation phase has been completed.

Santander's internal facilities management team is responsible for operations and maintenance of the installed assets.

Contractual arrangements

The Project SPV has entered into a services agreement with Santander. This agreement has 7 years left to run of its term. Santander does have the right to terminate the agreement early, subject to payment of an early termination fee calculated by reference to the NPV of the project, allowing for a prescribed discount rate.

Contractual payments

Contractual Payments to the Project SPV take the form of fixed service fee payments.

Acquisition mechanics

Following completion of the acquisition pursuant to the Acquisition Agreement, the Company will acquire all of the Seller Funds' interests in the Project SPV.

(B) Moy Park Lighting

This Seed Project involves the installation of LED lighting at 15 Moy Park sites across the UK.

Structure

The Seller Funds have provided funding directly to a Project SPV established by Future Energy Services (“FES”). SEEIT HoldCo will acquire this loan. The Project SPV will own the assets, and FES is responsible for the delivery, operation and maintenance of the project.

Contractual arrangements

The Seller Funds have entered into a loan facility directly with the Project SPV, which is payable in two tranches. Tranche 1, representing approximately 66 per cent. of the total committed funds, has already been completed. Phase 2 is yet to be initiated, with funds not being capable of drawdown unless the Seller Funds (or their successors) have consented to this. The term of the loan has approximately 7 years left to run.

The Seller Funds have security over the shares in the Project SPV in the event of default under the terms of the facility. This security is to be transferred to the benefit of SEEIT HoldCo.

Contractual payments

Contractual Payments take the form of fixed repayments of the loan. These repayments are due until the capital of the loan plus an amount to reflect the agreed returns have been paid to the lender.

Acquisition mechanics

Following completion of the acquisition pursuant to the Acquisition Agreement, the loan agreements between the Seller Funds and the Project SPV will be transferred to the SEEIT HoldCo, such that SEEIT HoldCo shall be entitled to receive the Contractual Payments payable thereunder.

(C) NCP Car Parks 2

This Seed Project involves the installation of LED lighting at over one hundred NCP car parks across the UK.

Structure

The Seller Funds and FES established a joint venture vehicle which has provided funding directly to a Project SPV established by FES (and in which the joint venture vehicle owns preference shares). The Project SPV will own the assets, and FES is responsible for the delivery, operation and maintenance of the project.

Contractual arrangements

The Seller Funds and FES, through the joint venture vehicle have entered into a loan facility directly with the Project SPV, which has approximately 2 years left to run.

The loan agreement contains step-in rights in favour of the Seller Funds where FES has failed to meet its contractual obligations with regards O&M services.

Contractual payments

Contractual Payments take the form of fixed repayments of the loan.

Acquisition mechanics

Following completion of the acquisition pursuant to the Acquisition Agreement, the Seller Funds’ 50 per cent. interest in the joint venture vehicle will be transferred to SEEIT HoldCo.

7.2.2 Combined Cooling, Heating and Power technology

(A) Citi data centre

This Seed Project involves the installation of two 1.4 megawatt CCHP plant engines at one of Citi’s data centres in the UK. The project also involves packages of civil works, including the construction of a “green wall” and a new gas grid connection.

Structure

The Project SPV, which is owned by the Seller Funds, was responsible for acquiring and installing the Energy Efficiency Equipment at the premises. The Project SPV has contracted with Clarke Energy to provide the O&M services.

The Project SPV entered into a debt facility with Citibank NA, London Branch to provide part of the funding for the acquisition of the Energy Efficiency Equipment.

Contractual arrangements

The key contract between the Project SPV and Citi (as the Counterparty) is the ESA, under which the Project SPV has agreed to deliver a supply of energy to Citi. As such, the ESA contains certain service levels relating to performance of the Energy Efficiency Equipment. The Project SPV has obtained similar reciprocal protections in its O&M Contract with Clarke Energy.

The term of the ESA has 8 years left to run, but can be terminated early by Citi upon the payment of a termination fee which is calculable by reference to the NPV of the contract, adjusted for unused borrowing and allowing for a prescribed discount rate.

The Project SPV has taken a lease of the part of the premises on which the equipment is stored; this lease gives rise to access rights for the Project SPV or its delegates.

At the end of the term, Citi can choose to pay the Project SPV to arrange for the decommissioning the assets (which the Project SPV could then sell at market value) or pay the Project SPV to acquire the assets at market value. In addition, the PPA contains provisions for the parties to agree to extend the term of the project.

Contractual payments

Contractual Payments to the Project SPV are payable quarterly.

Acquisition mechanics

Following completion of the acquisition pursuant to the Acquisition Agreement, SEEIT HoldCo will acquire all of the Seller Funds' interests in the Project SPV.

(B) St Bartholomew's Hospital

This Seed Project involves the installation of a CCHP unit at St Bartholomew's Hospital ("Barts") in London, UK.

Structure

The Project SPV, which is owned by the Seller Funds, has funded Skanska, who have been appointed by Barts as its facilities management partner. Skanska used the funds to install the Energy Efficiency Equipment at the premises, and is responsible for ongoing O&M obligations in respect of the project. Skanska has provided a guarantee to Barts for the performance of the project, both in terms of efficiency and availability.

Contractual arrangements

The Project SPV entered into a loan agreement with Skanska. The term of the loan agreement has 5 years left to run, but can be terminated early by Skanska upon the payment of a termination fee (which is calculable by reference to the amounts repayable for the remainder of the contract, less a prescribed discount rate).

Contractual payments

The Project SPV receives repayments under the terms of its loan agreement with Skanska.

Acquisition mechanics

Following completion of the acquisition pursuant to the Acquisition Agreement, SEEIT HoldCo will acquire all of the Seller Funds' interests in the Project SPV.

7.2.3 Steam raising boiler technology

(A) Steam Raising Project

This Seed Project involves the installation of three steam raising boilers and two steam compressors at the Counterparty's premises in North Yorkshire, UK.

Structure

The Seller Funds established a Project SPV to enter into a steam services agreement with the Counterparty for the Project SPV to design, build, operate and maintain the project, pursuant to which the Project SPV will sell steam to the Counterparty, in return for the Contractual Payments.

The Project SPV has entered into an EPC Contract and O&M Contract with a top tier EPC Contractor to design, build, operate and maintain the Energy Efficiency Equipment. The EPC Contractor has given a parent company guarantee in respect of its EPC contract.

Installation of the equipment is not yet complete. It is projected that the project will be installed and operational in the first half of 2019.

Contractual arrangements

The Project SPV has entered into a steam services agreement to deliver and maintain the project. The services agreement is for a term of 15 years. The steam services agreement contains contractual protections in favour of the Counterparty against the Project SPV in the event of delay in completion of the project, which have been invoked. The Project SPV ensured that the EPC Contract contains similar liquidated damages provisions in favour of the Project SPV, which have also been invoked as a result of the delay. Given the delay to this Seed Project, there will be a retention of 10 per cent. of the purchase price for the Project SPV, which will, subject to satisfaction of certain conditions, be partly paid out at commercial operations date (which is due in the first half of 2019) and partly paid out within nine months following commercial operations date.

The Project SPV will take a lease of the parts of the premises on which the equipment is located; this lease gives rise to access rights for the Project SPV or its delegates.

Contractual payments

Contractual Payments due to the Project SPV will be fixed sum charges subject to 3 per cent. indexation each year. The Contractual Payments will be contingent on meeting service levels and efficiency and availability guarantees specified by the Counterparty.

Acquisition mechanics

Following completion of the acquisition pursuant to the Acquisition Agreement, the Company will acquire all of the Seller Funds' interests in the Project SPV.

7.2.4 Combined technology

(A) Kingspan

This Seed Project involves the installation of lighting equipment, BSM controls and HVAC units at Kingspan's site in Holywell, UK.

Structure

The Seller Funds established a Project SPV to install and maintain a range of Energy Efficiency Equipment at Kingspan's site. The installation has been completed. The project was delivered by Johnson Controls, who was also appointed as the O&M Contractor.

Contractual arrangements

The Project SPV has entered into a services agreement with Kingspan, which has approximately 7 years left to run. The agreement can be terminated early by Kingspan upon the payment of a termination fee (which is calculable by reference to the NPV of the contract, allowing for a prescribed discount rate). The services agreement contains access rights for the Project SPV (or its delegates) to access the premises in order to comply with any O&M obligations under the agreement.

Contractual payments

Contractual Payments to the Project SPV under the services agreement take form of a fixed service payment.

Acquisition mechanics

Following completion of the acquisition pursuant to the Acquisition Agreement, SEEIT HoldCo will acquire all of the Seller Funds' interests in the Project SPV.

(B) ReEnergise

This Seed Project comprises a joint venture with a Spanish private equity fund into a platform to fund a range of smaller energy efficiency projects, including biomass boilers, LED, Hydro and AD Plant projects, via a series of hire purchase agreement, equipment lease agreements and finance lease agreements.

Structure

The Sellers Funds (49 per cent.) and ReEnergise (51 per cent.) have established a joint venture Project SPV which provides the funds to the smaller projects, as described above. Due to the nature of this joint venture, the projects are installed and operated by a variety of EPC Contractors and O&M Contractors.

Contractual arrangements

Each of the Seller Funds and ReEnergise has entered into a shareholders agreement relating to their equity interest in the Project SPV (a "JVA"). The Project SPV shall continue to exist for the life of the underlying projects, which is expected to be around 3 to 4 years.

Contractual payments

Contractual Payments under the JVA take the form of dividend payments out of the Project SPV, which in turn are based on receipt of repayment on the loans by each of the underlying projects. The amount by which such repayments are increased annually differs between each project.

Acquisition mechanics

Following completion of the acquisition pursuant to the Acquisition Agreement, SEEIT HoldCo will acquire all of the Seller Funds' 49 per cent. interest in the joint venture Project SPV.

7.2.5 Biomass technology

(A) Moy Park Biomass

This Seed Project involves the installation of 86 biomass boilers at several poultry farms operated by Moy Park in Lincolnshire, UK.

Structure

The Seller Funds have established a Project SPV to design and build (through an EPC Contractor) the project, which has been completed. The Project SPV has appointed Engie as the O&M Contractor.

Contractual arrangements

The Project SPV and Moy Park entered into a heat supply agreement, which has approximately 17 years left to run. The heat supply agreement allows for early termination by Moy Park, subject to payment of termination fee.

The biomass boilers use wood pellets as feedstock. The Project SPV has contracted with Land Energy Girvan Limited to supply wood pellets for 20 years. Under the terms of this supply contract, the price for the wood pellets is fixed for the first 10 years and, thereafter, the Project SPV has a right to terminate the agreement (and a correlating right to terminate the heat supply agreement) where the supplier amends the price or terms of supply of the wood pellets by such extent so as to amount to a material change.

Contractual payments

Contractual Payments will be received from two sources:

- under the heat supply agreement, Moy Park is contracted to pay a fee for each boiler plus a variable element for heat produced above a threshold; and
- under the Renewable Heat Incentive scheme operated by Ofgem, the Project SPV is entitled to receive a sum calculated by reference to the heat output of the boilers.

Acquisition mechanics

Following completion of the acquisition pursuant to the Acquisition Agreement, SEEIT HoldCo will acquire all of the Seller Funds' 60 per cent. interest in the Project SPV.

7.2.6 Investment Opportunities

(A) Fastflow

This project comprises opportunities to invest into a platform to fund a range of smaller energy efficiency projects across the public and private sectors.

The Seller Funds have established a Project SPV which is exploring opportunities to provide funds to Fastflow, in order to finance underlying Energy Efficiency Projects. Whilst some projects have been identified by Fastflow (and discussions are ongoing with the Investment Manager in this regard), no funds have been committed to specific projects by the Seller Funds.

It is intended that, upon completion of the Acquisition Agreement, the Company will acquire the Seller Funds' interest in the Project SPV and shall work with Fastflow to identify and assist in the implementation of suitable projects.

(B) Clarke

This project comprises opportunities to invest into a platform to fund a range of energy efficiency projects to be maintained by Clarke Energy, a counterparty with whom the Investment Manager has worked extensively on other projects.

The Seller Funds have established a Project SPV which is exploring opportunities to provide funds to CHP projects identified and maintained by Clarke Energy, in order to finance underlying Energy Efficiency Projects. As at 19 November 2018 (being the latest practicable date before publication of this Prospectus), no funds have been committed to specific projects by the Seller Funds.

It is intended that, upon completion of the Acquisition Agreement, the Company will acquire the Seller Funds' interest in the Project SPV and shall work with Clarke Energy to identify and assist in the implementation of suitable projects.

(C) Platform arrangement with a multinational venture capital conglomerate (an "MVCC")

This project comprises an opportunity to collaborate with an MVCC to identify and deliver energy efficiency solutions across the MVCC's group.

It is intended that, upon completion of the Acquisition Agreement, the Company will acquire the Seller Funds' interest in the Project SPV and shall work with the MVCC to identify and assist in the implementation of suitable projects.

7.3 Valuation of the Seed Projects

The Board, as advised by the Investment Manager, has determined the fair value of the Seed Portfolio, in aggregate, to be £57,156,269 (the "**Valuation**"). The Valuation is based on the discounted cash flow projections for each Seed Project contained within the audited financial model prepared by the Seller Funds' auditors. Discount rates have been applied to each Seed Project based on the risk profile associated with projected cash flows for that Seed Project. As such, discount rates range from 4.5 per cent. of the projected cash flow to 7.5 per cent., with a weighted average discount rate across the Seed Projects of 6.62 per cent. assuming release of a retention amount of £1.2 million in relation to a project under construction, or 7.0 per cent. if the retention is not retained.

The Board has been advised by the Investment Manager that the methodology used in the Valuation is consistent with current market practice for the valuation by sellers and purchasers of portfolios of similar assets.

The terms of the proposed acquisitions of the Seed Portfolio have been reviewed by Grant Thornton, as the Company's independent valuer, who has confirmed that, in its opinion, the Valuation and the proposed acquisition price of the Seed Portfolio, as determined by the Investment Manager, is fair and reasonable. The Valuation Opinion is reproduced in Part III (Valuation Opinion) of this Prospectus.

8. PIPELINE INVESTMENTS AND USE OF PROCEEDS

In addition to the Seed Portfolio, the Investment Manager has identified a number of Energy Efficiency Projects which are well suited to the Company's investment objective and policy, and the Investment Manager is undertaking due diligence on, or is in discussions for the Company to participate in a number of Energy Efficiency Projects (the "**Pipeline Projects**") with an aggregate value of approximately £650 million. The degree of progress for each of the Pipeline Projects varies and there can be no guarantee that the Company will be able to invest in, or commit to, these Pipeline Projects, either shortly after Initial Admission or at all.

Details of the Pipeline Projects

The materialisation of the Pipeline Projects would add to the Company's well-diversified initial Portfolio due to the fact that the Pipeline Projects are diversified across sectors, geography and Energy Efficiency Equipment, and provide business relationships with leading firms in various sectors.

The near term Pipeline Projects, which the Company expects to acquire within 6 to 9 months from the date of Initial Admission for an aggregate consideration of approximately £150 million, include:

- a portfolio of cogeneration assets in Southern Europe;
- a rooftop solar project for a large UK retailer; and
- a portfolio of operational CHP projects in North-East USA.

In the medium term, the Investment Manager has various Pipeline Projects with a total value in excess of £500 million with Counterparties in the UK, the USA and across Continental Europe. These Pipeline Projects include CHP solutions, LED lighting, rooftop solar projects, biomass boilers and other projects.

Acquisition of the Pipeline Projects

Subject to completing satisfactory legal, technical and financial due diligence, it is expected that the Company will be able to invest in, or commit to, some of these Pipeline Projects shortly after Initial Admission, although, as already noted, there can be no guarantee that the Company would be able to invest in, or commit to, these Pipeline Projects.

Use of Proceeds

The Board and the Investment Manager believe suitable acquisition opportunities exist which would allow any surplus Net Initial Proceeds (being proceeds that are not used to acquire the Seed Portfolio) to be invested or committed within six to nine months following Initial Admission.

PART III – VALUATION OPINION

SDCL Energy Efficiency Income Trust plc
Asticus Building
2nd Floor 21 Palmer Street
London SW1 0AD
United Kingdom

and

Jefferies International Limited
Vintners Place
68 Upper Thames Street
London EC4V 3BJ

22 November 2018

Dear Sir/Madam

SDCL Energy Efficiency Income Trust PLC – Valuation opinion letter

Valuation opinion letter

We are writing to provide to the Company and to Jefferies International Limited (“**Jefferies**”), our opinion as to the fair value (a “**Valuation**”) of a portfolio of assets (the “**Seed Portfolio**”) (the “**Opinion Letter**”). The details of the Seed Portfolio are described on pages 70 to 78 of the prospectus issued by the Company dated 22 November 2018 (the “**Prospectus**”).

Purpose

The Valuation has been provided to the Company in connection with the proposed transfer of the Seed Portfolio, from the Seller Funds to the Company (the “**Acquisition**”), and the admission of the Company’s ordinary shares to listing on the Premium segment of the Official List and to trading on the Main Market.

In providing a Valuation, we are not making any recommendations to any person regarding the Prospectus in whole or in part and are not expressing an opinion on the fairness of the terms of the acquisitions or the terms of any investment in the Company.

Responsibility

Save for any responsibility arising under item 5.5.3R(2)(f) of the Prospectus Rules to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this Opinion Letter, any consent letter or comfort letter required by and given solely for the purposes of complying with, item 23.1 of Annex I of Appendix 3 of the Prospectus Rules, consenting to its inclusion in the Prospectus.

Valuation basis and valuation assumptions

This Opinion Letter sets out our opinion on a fair value basis for the Seed Portfolio in connection with the Acquisition, which is expected to take place on or about 11 December 2018, assuming a willing buyer and seller, dealing at arm’s length and with equal knowledge regarding the facts and circumstances.

The Valuation is necessarily based on economic, market and other conditions as in effect on, and the tax and accounting and other information available to us as of, 22 November 2018. It should be understood that subsequent developments may affect our views and that we do not have any obligation to update, revise or reaffirm the views expressed in this Opinion Letter. Specifically it is understood that the Valuation may change as a consequence of changes to market conditions, interest rates, exchange rates, or the prospects of the energy storage sector in general or the Seed Portfolio in particular. It is important to note that we have not considered any such changes between 30 November 2018 (the “**Valuation Date**”) and the date of this Opinion Letter.

In providing this Opinion Letter, we have relied upon the commercial assessment of the Investment Manager, on a number of issues, including, the markets in which the Seed Portfolio operates and the assumptions underlying the projected financial information which were provided by the Investment Manager and for which the Investments Manager is wholly responsible. We have also

placed reliance on the historical and forecast information for the Seed Portfolio provided to us by the Investment Manager and for which the Investment Manager is wholly responsible.

The Valuation has been determined using discounted cash flow methodology, whereby the estimated future equity cash flows accruing to each Seed Project and attributable to the Seed Portfolio have been discounted to 30 November 2018, using discount rates reflecting the risks associated with each Seed Project and the time value of money. The Valuation is based on the estimated future cash flows projected to be received, or paid, on or after 30 November 2018. There is no one precise applicable discount rate but rather a range. In considering the discount rate applicable to each Seed Project, we took into account various factors, including, but not limited to, comparable industry benchmarks, comparable corporate debt, operational history, and risks specific to each of the Seed Projects such as contract and construction risk.

We have made the following key assumptions in determining the Valuation:

- the cash flow projections for each Seed Project's financial model (the "**Model**") provided by the Investment Manager, which has been subject to third party review, for the purpose of our services accurately reflect the terms of all agreements relating to the respective Seed Project. We have not independently subjected them to an audit or detailed review process;
- the accounting policies applied in the Model for each Seed Project are in accordance with the relevant GAAP;
- any cash within the Model which are due to the Company from the Seed Portfolio will not be adversely impacted by any legal or financial restrictions (current or future);
- the tax treatment applied in the Model for each Seed Project is in accordance with the applicable tax legislation and does not materially understate the future liability of taxes owed; and
- there are no material disputes with parties contracting directly or indirectly with each Seed Project nor any going concern issues, nor performance issues with regard to the contracting parties, nor any other contingent liabilities, which as at the date of the delivery of our Opinion Letter are expected to give rise to a material adverse effect on the future cash flows of the relevant Seed Project as set out in the Model provided to us.

We have received written representations from the Investment Manager, confirming the validity of the above assumptions.

The Valuation is provided solely on the Seed Portfolio in aggregate and whilst we have considered discount rates applicable to each Seed Project we are not providing an opinion on individual values.

Valuation opinion

While there is clearly a range of possible values for the Seed Portfolio and no single figure can be described as a "correct" Valuation for such underlying assets, Grant Thornton advises the Company and Jefferies that, based on market conditions on 22 November 2018, and on the basis and assumptions stated above, in our opinion the proposed purchase price of the Seed Portfolio of £57,156,269 falls within a range which we consider to be fair and reasonable on a fair value basis.

Declaration

For the purposes of Prospectus Rule 5.5.3R(2)(f) we are responsible for this Opinion Letter as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this Opinion Letter is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex I of Appendix 3 of the Prospectus Rules.

Yours faithfully

For Grant Thornton UK LLP

PART IV – DIRECTORS, MANAGEMENT AND ADMINISTRATION

1. DIRECTORS

The Directors are responsible for the determination of the Company's investment objective and policy and investment strategy and have overall responsibility for the Company's activities, including the review of investment activity and performance and the control and supervision of the Investment Manager. The Directors have delegated responsibility for managing the assets comprising the Portfolio to the Investment Manager, which is not required to, and generally will not, submit individual investment decisions for the approval of the Board.

All of the Directors are non-executive and are independent of the Investment Manager for the purposes of the Listing Rules and the UK Corporate Governance Code.

The Directors will meet as a Board at least quarterly and the Audit Committee will meet at least once a year.

The Directors are as follows:

Tony Roper

Tony has over 24 years' experience of making and managing infrastructure equity investments in the UK, Europe, North America and Australia. He trained as a structural engineer before moving on to project management, accounting, financing, infrastructure investment, asset management and fund management of listed investment companies. Between 1994 and 2006 he worked at John Laing PLC, latterly as a director responsible for M&A, strategy in relation to the infrastructure portfolio and future growth prospects.

From 2006 to 2011 he worked at HSBC Specialist Investments, providing advice to HICL Infrastructure Company Limited ("**HICL**") on acquisitions, portfolio management and financing. From 2011 to June 2018 Tony was a managing partner at InfraRed Capital Partners responsible for InfraRed's three infrastructure yield funds, was the HICL fund manager until June 2017 and sat on a number of investment committees, including for the Renewables Infrastructure Group Limited ("**TRIG**"), listed on the London Stock Exchange.

Tony is currently a director of Affinity Water Limited (as a shareholder non-executive director, ("**NED**") on behalf of HICL and InfraRed) and a NED for Aberdeen Standard European Logistics Income plc, which launched in November 2017.

Tony has an MA in Engineering from Cambridge University and is an ACMA.

Helen Clarkson

Helen is the Chief Executive Officer of The Climate Group having joined in March 2017. Prior to joining The Climate Group, she worked at Forum for the Future where she founded the organisation's US office. At Forum, Helen led work with large US corporations such as Target, Walmart, Nike, Gap, and Levi Strauss & Co. to solve complex sustainability challenges at both the organisational and broader systemic level. Helen also served as interim chief operating officer for several months. Helen joined Forum from Médecins Sans Frontières where she worked on humanitarian missions in countries including Democratic Republic of Congo, Sudan, Burundi, Pakistan and Nigeria.

Helen has an undergraduate degree in Philosophy from Cambridge University and a master's degree in Business Strategy, Politics & the Environment, from Birkbeck College, University of London. She is also a Chartered Accountant.

Christopher Knowles

Christopher has over 40 years' experience of development economics, project finance, infrastructure and climate and environmental finance. He has spent the majority of his career at the European Investment Bank ("**EIB**"), most recently heading the climate investment business. From 2000 to 2005 he led the lending operations team responsible for EIB's financing in the transport and infrastructure sectors in Spain, closing €4 to 5 billion of financing annually for Europe's largest national infrastructure programme, much of it in PPP form. He spent the 1990s doing broadly similar jobs throughout the Central European region, Finland and Greece and the 1980s in the African and Caribbean regions. Prior to EIB he worked for the Lesotho National Development Corporation, the European Commission and Lazard Brothers.

From 2006 to 2017 Christopher was part of an initiative by EIB to reinforce its activity in sectors of high policy priority for the EU and in which the EIB seeks to develop innovative approaches. In this capacity, he had pan-European responsibility for a diverse portfolio of activities, including equity funds for infrastructure and clean energy, carbon finance, and structured finance in the energy and environmental sectors. He is a representative on various advisory committees including that for the Climate Bond Initiative and the OECD Centre for Green Finance & Investment. He was chairman of the Green for Growth Fund, which focussed on energy efficiency projects in the Balkans, Caucasus and MENA regions, and a board member of the European Energy Efficiency Fund (which focusses on the pan-EU region).

Christopher holds degrees in Economics and Management from the University of Durham.

2. THE INVESTMENT MANAGER

The Company and the Investment Manager have entered into the Investment Management Agreement pursuant to which the Investment Manager has been given responsibility, subject to the overall supervision of the Board, for active discretionary investment management of the Portfolio in accordance with the Company's investment objective and policy.

The Investment Manager is an investment firm with a proven track record of investment in energy efficiency and decentralised energy generation projects. The Investment Manager was founded in 2007 by Jonathan Maxwell, and since 2012, has raised over £500 million of capital commitments, including four funds exclusively focused on energy efficiency with projects in the UK, Europe, North America and Asia. The Investment Manager is based in London and consists of a team of 23 employees, including 15 investment professionals.

As the entity appointed to be responsible for risk management and portfolio management, the Investment Manager will be the Company's AIFM. The Investment Manager has full discretion under the Investment Management Agreement to make investments in accordance with the Company's investment policy from time to time. This discretion is, however, subject to: (i) the Board's ability to give instructions to the Investment Manager from time to time; and (ii) the requirement of the Board to approve certain investments where the Investment Manager has a conflict of interest in accordance with the terms of the Investment Management Agreement. The Investment Manager also has responsibility for financial administration and investor relations, advising the Company and its group in relation to the strategic management of the Portfolio, advising the Company in relation to any significant acquisitions or investments and monitoring the Company's funding requirements. A summary of the material terms of the Investment Management Agreement is set out in paragraph 11.2 of Part VII (Additional Information on the Company) of this Prospectus.

The Investment Manager is authorised and regulated as an AIFM by the FCA and, as such, is subject to the FCA Rules in the conduct of its investment business. The Investment Manager complies with the requirements of the AIFM Directive with respect to cover for professional negligence liabilities through maintaining additional own funds, further details of which are set out in paragraph 18 of Part VII (Additional Information on the Company) of this Prospectus.

3. INVESTMENT TEAM

The Investment Manager's core team that will be responsible for providing the services to the Company are:

Miles Alexander, Investment Director

Miles has responsibility for originating and executing energy efficiency opportunities for the Company. He has over 20 years of experience in finance, including energy efficiency, corporate and leveraged finance. Prior to joining the Investment Manager, he worked for the UK Green Investment Bank where he was head of Commercial and Industrial Energy Efficiency as well as having worked for the Department of Energy and Climate Change fund investing into renewables and energy efficiency in India and Africa. Miles gained diverse experience at several other companies including General Electric, Tata and Ares.

Jonathan Maxwell, CEO of the Investment Manager

Jonathan has over 20 years' experience in international finance, infrastructure and private equity and has overall responsibility for the Investment Manager's investment activities. Jonathan has a

strong track record, having worked in infrastructure, sustainable investment, business creation and management for 10 years. Since establishing the Investment Manager in London in 2007, the group now operates across the UK, Europe, North America and Asia and has launched energy efficiency project investment funds in the UK, Ireland, Singapore and New York with a net IRR target of over 10 per cent. Prior to establishing the Investment Manager, Jonathan was at HSBC Infrastructure and managed the IPO of HICL in 2006, the first Main Market, London Stock Exchange listed infrastructure fund, which now has an enterprise value of over £2 billion.

Additionally, the investment team will also draw on the wider resources of the SDCL Group.

4. DEPOSITARY

Sanne Group Administration Services (UK) Limited has been appointed as the depositary of the Company pursuant to the Depositary Agreement with the Company and the Investment Manager, further details of which are set out in paragraph 11.3 of Part VII (Additional Information on the Company) of this Prospectus. As Depositary of the Company, it will perform those duties prescribed under the AIFM Directive. These include safekeeping of the Company's assets, cash monitoring and oversight.

5. COMPANY SECRETARY AND ADMINISTRATOR

Sanne Group UK Limited ("**Sanne**") has been appointed as Administrator and the Company Secretary of the Company pursuant to the Company Secretary and Administration Services Agreement, further details of which are set out in paragraph 11.4 in Part VII (Additional Information on the Company) of this Prospectus. Sanne will be responsible for the day to day administration of the Company (including but not limited to the maintenance of the Company's fund accounting records and the calculation and publication of the estimated six-monthly NAV). Prospective investors should note that it is not possible for Sanne to provide any investment advice to investors.

6. REGISTRAR

Computershare Investor Services PLC has been appointed as the Company's Registrar pursuant to the Registrar Services Agreement, further details of which are set out in paragraph 11.5 of Part VII (Additional Information on the Company) of this Prospectus. The Registrar will be responsible for the maintenance of the Company's register of members, dealing with routine correspondence and enquiries, and the performance of all the usual duties of a registrar in relation to the Company.

7. AUDITOR

The auditor to the Company is PricewaterhouseCoopers LLP. PricewaterhouseCoopers LLP is independent of the Company and is registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales. The auditor's responsibility is to audit and express an opinion on the financial statements of the Company in accordance with applicable law and auditing standards. The annual report and accounts will be prepared in accordance with IFRS. The auditor is entitled to receive annual fees of £145,000.

8. FEES AND EXPENSES

Initial Expenses related to the Initial Issue

The formation and initial expenses of the Company are those that are necessary for the establishment of the Company, the Initial Issue and Initial Admission ("**Initial Expenses**"). These Initial Expenses (which include commission and expenses payable under the Share Issuance Agreement, registration, listing and admission fees, printing, advertising and distribution costs and professional advisory fees, including legal fees, and any other applicable expenses) are capped at 2 per cent. of the Gross Initial Proceeds. Accordingly, on Initial Admission, the opening NAV per Ordinary Share will be 98 pence and, on the basis that the Gross Initial Proceeds are £150 million, the Net Initial Proceeds will be £147 million.

To the extent that the Initial Expenses exceed 2 per cent. of the Gross Initial Proceeds, the Investment Manager will bear such excess such that the opening NAV of the Company will not fall below 98 pence.

Expenses relating to the Share Issuance Programme

The Directors expect that the total costs of the Share Issuance Programme will not exceed 2 per cent. of the aggregate gross proceeds of the Share Issuance Programme. With respect to a Subsequent Issue of Ordinary Shares under the Share Issuance Programme, the Directors anticipate that these costs will be substantially recouped through the cumulative premium at which Ordinary Shares in issue are trading at the relevant time. The total costs of an issue of C Shares under the Share Issuance Programme will be borne out of the Gross Issue Proceeds of such Subsequent Issue and shall not exceed 2 per cent. of the Gross Issue Proceeds of such Subsequent Issue.

Ongoing expenses of the Company

The Company will also incur ongoing expenses. Ongoing expenses (taking into account all material fees payable directly or indirectly by the Company for services under arrangements entered into as at the date of this Prospectus) are expected initially to be approximately 2 per cent. of the Net Asset Value annually (assuming that, following Initial Admission, the Company will have an initial Net Asset Value of £147 million). The key heads of ongoing expense which will be borne by the Company are set out immediately below, together with a summary of those ongoing expenses which are not readily quantifiable and therefore have not been taken into account in this estimation.

Taking into account the above estimation, the ongoing expenses are not currently expected to exceed 2 per cent. of the NAV annually. Investors should note, however, that some expenses are inherently unpredictable and, depending on circumstances, ongoing expenses may exceed this estimation.

The Investment Manager has prepared a key information document as required under the PRIIPs Regulation. That regulation requires costs to be calculated and presented in accordance with detailed and prescriptive rules. The key information document is available on the Company's website at www.sdcleeit.com.

Directors

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles. The Directors' current level of remuneration is £30,000 per annum for each Director other than the Chairman, who will receive an additional £15,000 per annum, the chairperson of the Audit Committee, who will receive an additional £5,000 per annum and the senior independent director (who will be Christopher Knowles), who will receive an additional £5,000 per annum.

The Directors will also be entitled to be paid all reasonable expenses properly incurred by them in connection with the performance of their duties. These expenses will include those associated with attending general meetings, Board or committee meetings and legal fees. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

Investment Management Fee

Under the terms of the Investment Management Agreement and with effect from Initial Admission, the Investment Manager will be entitled to a fee calculated at the rate of:

- 0.9 per cent. per annum of the Adjusted NAV in respect of the Net Asset Value of up to, and including, £750 million; and
- 0.8 per cent. per annum of the Adjusted NAV in respect of the Net Asset Value in excess of £750 million (the "**Investment Management Fee**").

The Investment Management Fee is calculated and accrues monthly and shall be invoiced monthly in arrear.

Administrator

Under the terms of the Company Secretary and Administration Services Agreement, Sanne is entitled to an annual fee of £115,000 (exclusive of any applicable VAT and together with certain variable fees payable for additional services or corporate actions of the Company), in respect of its role as Company Secretary and the Administrator, payable quarterly in arrear in equal instalments. If Sanne incurs expenses and disbursements, provided that these are reasonably incurred in relation to the provision of the services under the Company Secretary and Administration Services

Agreement, Sanne shall invoice the Company for such amounts and the Company shall pay the invoice within 30 days of the date of invoice.

Registrar

Under the terms of the Registrar Services Agreement, the Registrar is entitled to a monthly maintenance fee per Shareholder account, subject to a minimum annual fee of £4,800. The fees are subject to increase in line with the CPI. The Registrar is also entitled to levy certain charges on a per item basis, and to reimbursement of all reasonable out of pocket expenses incurred in connection with the provision of services under the Registrar Services Agreement.

Depositary

Under the terms of the Depositary Agreement, the Depositary is entitled to an annual fee of £35,000.

Other operational expenses

Other ongoing operational expenses that will be borne by the Company include costs related to acquisitions of Energy Efficiency Projects (including the Seed Portfolio), the auditor's fees, corporate broker fees, legal fees, listing fees of the UKLA (if any), fees of the London Stock Exchange, fees for public relations services, D&O insurance premiums, printing costs and fees for website maintenance. The Company may also bear certain out of pocket expenses of the Investment Manager or its Affiliates, the Company Secretary, Registrar, other service providers and the Directors.

9. TAKEOVER CODE

The Takeover Code will apply to the Company as at Initial Admission.

10. CORPORATE GOVERNANCE

The Board has considered the principles and recommendations of the AIC Code by reference to the AIC Guide. The AIC Code, as explained by the AIC Guide, which provides a framework of best practice for listed investment companies and 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, and by reference to the AIC Guide (which incorporates the UK Corporate Governance 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 and will voluntarily comply with the UK Corporate Governance Code in accordance with the AIC Code.

The UK Corporate Governance Code includes provisions relating to: (i) having a senior independent director; (ii) the role of the chief executive; (iii) executive directors' remuneration; (iv) appointing the directors for a term of six years; and (v) an internal audit function. 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). For the reasons set out in the AIC Guide, the Board does not consider that the above provisions are relevant to the Company. The Company therefore will not comply with these provisions.

Audit Committee

The Company has established an Audit Committee which will be chaired by Helen Clarkson and consists of all the Directors other than the Chairman. The Audit Committee will meet at least twice per 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 examines the effectiveness of the Company's control systems. It will review the half-yearly and annual reports of the Company and also receive information from the Investment Manager. The Audit Committee will review the scope, results, cost effectiveness, independence and objectivity of the external auditor. It will also review the valuations of all investments across the Portfolio, together with performing a role in respect of risk control.

11. DIRECTORS' SHARE DEALINGS

The Directors have adopted a share dealing code that is compliant with the Market Abuse Regulation. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with the share dealing code by the Directors and other persons discharging managerial responsibilities (“PDMRs”).

12. MEETINGS, REPORTS AND ACCOUNTS

The Company expects to hold its first annual general meeting in 2019 and will then hold an annual general meeting each year thereafter. The annual report and accounts of the Company will be made up to 31 March in each year with copies expected to be sent to Shareholders within the following four months. The Company will also publish unaudited interim reports to 30 September each year.

The first accounting period of the Company will be from the date of the Company's incorporation on 12 October 2018 to 31 March 2019.

Any ongoing disclosures required to be made to Shareholders pursuant to the AIFM Directive will (where applicable) be contained in the Company's interim or annual reports, on the Company's website, or will be communicated to Shareholders in written form as required.

The Directors intend to include in the Company's annual and half-yearly reports sufficient information relating to the Company's underlying investments and valuation methodologies to enable Shareholders to appraise the Company's Portfolio.

PART V – THE INITIAL ISSUE AND THE SHARE ISSUANCE PROGRAMME

1. INTRODUCTION

Pursuant to this Prospectus, the Directors intend to implement the Share Issuance Programme (being a programme of issues of Shares in the form of Ordinary Shares and/or C Shares), pursuant to which the Company intends to issue Ordinary Shares pursuant to a Placing (the “**Initial Placing**”) and the Offer (together, the “**Initial Issue**”). The Company proposes to issue up to 500 million Shares pursuant to the Share Issuance Programme, out of which the Company intends to issue up to 200 million Ordinary Shares with an Issue Price of £1.00 per Ordinary Share pursuant to the Initial Issue. The maximum sizes of the Initial Issue and the Share Issuance Programme should not be taken as an indication of the number of Shares which will be issued under the Share Issuance Programme. The Minimum Gross Initial Proceeds in respect of the Initial Issue will be £100 million. The Share Issuance Programme is not being underwritten.

2. THE INITIAL ISSUE

If the timetable for the Initial Issue is extended, the revised timetable will be notified through a Regulatory Information Service.

The Initial Issue is conditional, inter alia, on:

- Initial Admission occurring not later than 8.00 a.m. on 11 December 2018 or such other date as may be agreed between the Company and Jefferies, not being later than 31 December 2018;
- in relation to the Initial Issue, the Minimum Gross Initial Proceeds being raised; and
- the Share Issuance Agreement becoming otherwise unconditional in all respects and not having been terminated on or before the date of Initial Admission.

In the event that the Company and the Investment Manager (in consultation with Jefferies) decide to reduce the amount of the Minimum Gross Initial Proceeds, the Company will be required to publish a supplementary prospectus. In circumstances where these conditions are not fully met, the Initial Issue will not take place. The investors acknowledge that where the Initial Issue does not take place, any monies paid by applicants will be returned to them without interest and at their own risk.

It is expected that the results of the Initial Issue will be notified through a Regulatory Information Service on or around 6 December 2018, or such later date (no later than the Long Stop Date) as the Company and Jefferies may agree.

2.1 Initial Placing

Jefferies has agreed, pursuant to the Share Issuance Agreement, to use its reasonable endeavours to procure Placees to subscribe for Ordinary Shares pursuant to the Initial Placing. Details of the Share Issuance Agreement are set out in paragraph 11.1 of Part VII (Additional Information on the Company) of this Prospectus.

The terms and conditions which shall apply to any subscription for Ordinary Shares pursuant to the Initial Placing are contained in Part VIII (Terms and Conditions of any Placing) of this Prospectus

The latest time and date for receipt of placing commitments under the Initial Placing is 3.00 p.m. on 5 December 2018 or such other date as may be agreed between the Company and Jefferies.

2.2 The Offer

Under the Initial Issue, Ordinary Shares will be made available by the Company under the Offer at the Initial Issue Price, subject to the terms and conditions of application under the Offer set out in Part IX (Terms and Conditions of the Offer) of this Prospectus. These terms and conditions, together with the Application Form (which is set out at Appendix 1 to this Prospectus), should be read carefully before any application is made under the Offer. The Offer is expected to expire at 11.00 a.m. on 5 December 2018. If the timetable for the Offer is extended, the revised timetable will be notified through a Regulatory Information Service.

Applications under the Offer 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).

Completed Application Forms, accompanied by a cheque or banker's draft as appropriate, must be posted or delivered by hand (during normal business hours only) to the Receiving Agent so as to be received as soon as possible and, in any event, by no later than 11.00 a.m. on 5 December 2018.

The Offer is being made only to the public in the United Kingdom and applications for Ordinary Shares under the Offer will only be accepted from United Kingdom residents unless the Company (in its absolute discretion) determines that applications may be accepted from non-United Kingdom residents without compliance by the Company with any material regulatory, filing or other requirements or restrictions in other jurisdictions.

The Shares are only suitable for investors: (i) who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company; (ii) for whom an investment in the Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment portfolio. Typical investors in the Company are expected to be institutional and sophisticated investors, professional investors, high net worth investors and advised individual investors who understand the risks involved in investing in the Company and/or who have received advice from their fund manager, broker or an independent financial adviser regarding any investment in the Company.

Jefferies has no responsibility in relation to the making of the Offer or any matter concerning the Offer and in accordance with the terms and conditions of the Offer, applicants under the Offer shall be required to agree that Jefferies are acting only for the Company in connection with the Offer and for no one else and that Jefferies will not treat the applicant as their customer by virtue of such application being accepted or owe the applicant any duties or responsibilities concerning the price of the Ordinary Shares or concerning the suitability of the Ordinary Shares for the applicant or be responsible to the applicant for providing the protections afforded to their customers.

The terms and conditions which will apply to any subscriber for Ordinary Shares under the Offer are set out in Part IX (Terms and Conditions of the Offer) of this Prospectus.

2.3 The Initial Issue Price and Expenses of the Initial Issue

The Initial Issue Price is £1.00. The costs and expenses (including placing commissions) applicable to the Initial Issue will be capped at 2 per cent. of the Gross Initial Proceeds, and accordingly the expected Net Asset Value per Ordinary Share immediately following Initial Admission will be £0.98 per Ordinary Share. To the extent that the Initial Expenses exceed 2 per cent. of the Gross Initial Proceeds, the Investment Manager will bear such excess such that the opening NAV of the Company will not fall below 98 pence. On the basis that the Gross Initial Proceeds are £150 million, the Initial Expenses will therefore be capped at £3 million and the Net Initial Proceeds will be £147 million. Pursuant to the Share Issuance Agreement, Jefferies is entitled, at its discretion and out of its own resources, to rebate to some or all investors, or to other parties, part or all of its fees relating to the Initial Placing.

2.4 Dilution in connection with the Initial Issue

In respect of the Initial Issue, as an initial offering, there will be no dilution of Shareholders' interests in the Company.

2.5 Initial Admission

It is expected that Initial Admission will become effective and that unconditional dealings in the Ordinary Shares issued pursuant to the Initial Issue will commence at 8.00 a.m. on 11 December 2018. Dealings in Ordinary Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

2.6 Use of Proceeds

The Initial Issue is being made (and any Subsequent Issue will be made pursuant to the Share Issuance Programme) in order to provide investors with exposure to a diversified portfolio of investments through participation in an investment trust company. The Company intends to use the Net Issue Proceeds to acquire further investments in accordance with the Company's investment objective and policy.

3. SUBSEQUENT ISSUES UNDER THE SHARE ISSUANCE PROGRAMME

Following completion of the Initial Issue (as described below), the Directors may, at their sole and absolute discretion, decide to carry out one or more Subsequent Issues before the Final Closing Date, should the Board determine that market conditions are appropriate. Any such Subsequent Issues may comprise the issue of Ordinary Shares and/or C Shares.

In using their discretion under the Share Issuance Programme, the Directors may also take into account the desirability of limiting any premium to Net Asset Value at which the Ordinary Shares trade in order to ensure that Shareholders and new investors who acquire Ordinary Shares are not disadvantaged by being required to acquire such Ordinary Shares at a high premium to Net Asset Value per Ordinary Share.

The maximum number of Shares that may be issued under the Share Issuance Programme is 300 million. The actual number of Ordinary Shares and/or C Shares to be issued pursuant to any Subsequent Issue under the Share Issuance Programme is not known as at the date of this Prospectus. The actual number of Ordinary Shares and/or C Shares issued will be notified by the Company via a Regulatory Information Service announcement and the Company's website, prior to the relevant Subsequent Admission.

Each Subsequent Issue pursuant to the Share Issuance Programme is conditional, inter alia, on:

- the relevant Subsequent Admission occurring and becoming effective by 8.00 a.m. (London time) on such date as the Company specifies, not being later than the Final Closing Date;
- in respect of the issue of Ordinary Shares, the relevant Share Issuance Price being agreed between the Company and Jefferies;
- a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules; and
- the Share Issuance Agreement not having been terminated on or before the date of the relevant Subsequent Issue having become unconditional (save for any condition relating to the relevant Subsequent Admission).

In circumstances where these conditions are not fully met, the relevant Subsequent Issue, whether by Subsequent Placing or an Intermediaries Offer (as the case may be), will not take place. The investors acknowledge that where a Subsequent Issue does not take place, any monies paid by applicants will be returned to them without interest and at their own risk.

Any minimum gross proceeds in respect of each issue will be fixed by the Directors prior to each Subsequent Issue in consultation with Jefferies. It is expected that the costs of issuing Ordinary Shares under the Share Issuance Programme will be covered by issuing such Ordinary Shares at a premium to the prevailing NAV per Ordinary Share.

The terms and conditions which will apply to any subscriber for Shares under each Subsequent Placing procured by Jefferies are set out in Part VIII (Terms and Conditions of any Placing) of this Prospectus.

3.1 Dilution in connection with Subsequent Issues

If 300 million Shares were to be issued pursuant to Subsequent Issues (being the maximum number of Shares that the Directors will be authorised to issue under the Share Issuance Programme), and assuming the Initial Issue had been subscribed as to 150 million Ordinary Shares, a subscriber to the Initial Issue who did not participate in any of the Subsequent Issues would suffer dilution of 66.7 per cent. in respect of their voting control in the Company immediately after the Initial Issue.

The potential dilution in any Subsequent Issue will be communicated by a Regulatory Information Service announcement in connection with such Subsequent Issue. Further, on Conversion of C Shares, any dilution resulting from the issue of C Shares, under the Share Issuance Programme, may increase or decrease depending on the Conversion Ratio used for such Conversion.

3.2 Share Issuance Price and expenses of Subsequent Issues

Subject to the requirements of the Listing Rules, and except in relation to the Initial Issue, the price at which each Ordinary Share will be issued will be calculated by reference to the latest published Net Asset Value per Ordinary Share plus issue expenses. The premium at which Ordinary Shares are issued has the potential to ultimately provide an enhancement to the Net Asset Value attributable to the Ordinary Shares.

All C Shares to be issued pursuant to the Share Issuance Programme will be issued at the issue price of £1.00 per C Share.

It is expected that arrangements of a similar nature as outlined above will apply in relation to Subsequent Issues, with the costs and expenses that will be borne by investors being set at the time of the relevant Issue (“**Subsequent Expenses**”). It is not possible to ascertain the exact costs and expenses of such Subsequent Issue. The Subsequent Expenses may or may not be capped in the same manner as the Initial Expenses.

Fractions of Shares will not be issued.

4. INTERMEDIARIES OFFER

The Company expects to carry out Intermediaries Offers which will open on 6 February 2019, 22 May 2019, 11 September 2019 and 6 November 2019. The Board may determine, in their absolute discretion, not to carry out one or more of the Intermediaries Offers. An Intermediaries Offer may be made in conjunction with a Subsequent Placing, but the Board has discretion to carry out an Intermediaries Offer independently from a Subsequent Placing, or vice versa.

The results of each Intermediaries Offer will be announced on the Business Day following the close of the relevant Intermediaries Offer.

Retail investors in the United Kingdom may be eligible to apply for Shares through the Intermediaries Offers, by following the application procedures of the relevant Intermediary. The Intermediaries Offers are being made to retail investors in the UK only.

There is a minimum application amount of £1,000 per retail investor in each of the Intermediaries Offers and thereafter in multiples of £100 or such lesser amount as the Company may determine (at its discretion). There is no maximum application amount in the Intermediaries Offers. No Shares allocated under the Intermediaries Offers will be registered in the name of any person whose registered address is outside the United Kingdom. Applications under the Intermediaries Offers must be by reference to the total monetary amount the applicant wishes to invest and not by reference to a number of Shares or the Share Issuance Price.

Each Intermediary will agree to the terms and conditions for Intermediaries, which will regulate, inter alia, the conduct of each Intermediaries Offer on market standard terms, and may provide for the payment of commission to any Intermediary.

Details of any Intermediaries Offer will be notified by the Company via a Regulatory Information Service immediately prior to or on the relevant opening dates set out above. This will include a target or “up to” number of Shares available for issue under the relevant Intermediaries Offer which will be calculated based on the maximum number of Shares that the Directors have authority to issue under the Share Issuance Programme minus any Shares that have already been issued under the Share Issuance Programme. Details will also be published of the relevant Share Issuance Price which will be calculated in accordance with paragraph 3.2 above.

Intermediaries will be required to provide the terms and conditions of the relevant offer made by the Intermediary to any prospective investor who has expressed an interest in participating in the Intermediaries Offer.

5. C SHARES

The Company may, at its discretion, issue additional classes of C Shares prior to the Conversion of any previously issued classes of C Shares. Each class of C Shares will form a distinct and separate class of Shares from other classes of C Shares. Each class of C Shares will have the same rights and characteristics as any other class of C Shares. A new class of C Shares may be issued prior to the Conversion of any existing class(es) of C Shares in a number of circumstances including where the existing cash attributable to Ordinary Shares and any existing class(es) of C Shares is considered to be potentially insufficient to fund the acquisition of, or commitments to, one or more pipeline investment (which may or may not ultimately materialise). Save for raising the Minimum Net Initial Proceeds and not becoming a “close company” (as defined in section 439 of the Corporation Tax Act 2010, as amended), there are no minimum Net Issue Proceeds of any relevant Subsequent Issue pursuant to the Share Issuance Programme.

The C Shares issued pursuant to the Share Issuance Programme will convert into Ordinary Shares in accordance with the conversion mechanism and subject to the terms and conditions described in paragraph 6.2.22 of Part VII (Additional Information on the Company) of this Prospectus.

Upon Conversion, the new Ordinary Shares arising will rank pari passu with all other Ordinary Shares then in issue for dividends and other distributions declared, made or paid by reference to a record date falling after the relevant Conversion Calculation Date. The number of new Ordinary Shares issued on Conversion will be rounded down to the nearest whole number and any fractions may be dealt with by the Directors in such manner as they see fit.

6. INTERMEDIARIES

Each Intermediary will, on appointment, agree to terms and conditions which will regulate, inter alia, the conduct of the Intermediaries in relation to the offering of Shares on market standard terms and provide for the payment of commission to any such Intermediaries that elect to receive commission from the Company.

Each Intermediary will submit an Intermediaries Offers Application Form in connection with the relevant Intermediaries Offer in its own name, as nominee, for the aggregate number of Shares procured by it via subscriptions from underlying retail investors.

Each applicant who applies for Shares via an Intermediary must comply with the appropriate money laundering checks required by the relevant Intermediary. Where an application is not accepted or there are insufficient Shares available to satisfy an application in full (due to scaling back of subscriptions or otherwise), the relevant Intermediary will be obliged to refund the applicant as required and all such refunds shall be made without interest. The Company and Jefferies accept no responsibility with respect to the obligation of any Intermediary to refund monies in such circumstances.

The publication of this Prospectus and any actions taken by the Company and/or Jefferies, any Intermediary or other persons in connection with an Intermediaries Offer should not be taken as any representation or assurance as to the basis on which the number of Shares to be offered under an Intermediaries Offer or allocations between applications in an Intermediaries Offer (from any Intermediary or otherwise) will be determined and any such actions or statements are hereby disclaimed by the Company and Jefferies.

7. GENERAL

7.1 Dealing Codes

The Ordinary Shares will have the following dealing codes:

	Ordinary Shares
ISIN	GB00BGHVZM47
SEDOL	BGHVZM4
Ticker	SEIT

Each class of C Shares issued pursuant to a Subsequent Issue made throughout the Share Issuance Programme will have separate ISINs, SEDOLs and ticker symbols issued. The announcement of each issue of C Shares will contain details of the relevant ISIN, SEDOL and ticker symbol for such class of C Shares being issued.

7.2 Scaling Back and Allocation

If aggregate applications for Shares pursuant to an Issue exceed a level that the Directors determine, in their absolute discretion at the time of closing the relevant Issue, to be the appropriate maximum size of such an Issue, it would be necessary to scale back applications under that Issue (including the Initial Issue). The Offer may be scaled in favour of the Initial Placing and vice versa. Accordingly, applicants for Shares may, in certain circumstances, not be allotted the number of Shares for which they have applied. Jefferies reserves the right, at its sole discretion but after consultation with the Company, to scale back applications for Shares received pursuant to any Placing in such amounts as they consider appropriate. Jefferies on behalf of the Company reserves the right to decline in whole or in part any application for Shares received pursuant to any Placing.

The Company will notify investors of the number of Shares in respect of which their application has been successful and the results of an Issue will be announced by the Company via an RIS announcement.

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

7.3 Dealings in Shares

Applications will be made to each of the UK Listing Authority and the London Stock Exchange for the Ordinary Shares to be issued pursuant to the Initial Issue (and for any Shares issued pursuant to any Subsequent Issue) to be admitted to listing on the premium listing category of the Official List under Chapter 15 of the Listing Rules and to trading on the premium segment of the Main Market.

It is anticipated that dealings in the Shares will commence no more than three Business Days after the trade date for each issue of Shares. Except where the Company may determine (in its absolute discretion) otherwise, it is expected that all Shares issued pursuant to a particular Placing will be issued in uncertificated form. If the Company decides to issue any Shares in certificated form, it is expected that share certificates would be dispatched approximately two weeks after the relevant Admission of the relevant Shares. No temporary documents of title will be issued.

The Company does not guarantee that at any particular time any market maker(s) will be willing to make a market in the Shares, nor does it guarantee the price at which a market will be made in the Shares. Accordingly, the dealing price of the Shares may not necessarily reflect changes in the Net Asset Value per Ordinary Share or the Net Asset Value per class of C Share (as the case may be). Furthermore, the level of the liquidity in the various classes of Shares can vary significantly and liquidity on the Main Market is still unknown.

7.4 CREST

CREST is a paperless settlement process 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 will apply for the Shares to be admitted to CREST with effect from the date of the relevant Admission. Accordingly, settlement of transactions in the Shares following the relevant Admission may take place within the CREST system if any Shareholder so wishes.

CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.

7.5 Miscellaneous

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

In the event that there are any significant new factors relating to the information described in this Prospectus after its publication, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the significant new factors.

The Directors (in consultation with Jefferies) may in their absolute discretion waive the minimum application amounts in respect of any particular application for Shares under the Share Issuance Programme.

Should an Issue be aborted or fail to complete for any reason, monies received will be returned without interest at the risk of the applicant to the bank account from which the money was received forthwith following such abort or failure, as the case may be. Any abort or failure fees and expenses will be borne by the Company.

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

8. LEGAL IMPLICATIONS OF THE CONTRACTUAL RELATIONSHIP ENTERED INTO FOR THE PURPOSE OF INVESTMENT

The Company is a public company limited by shares, incorporated in England and Wales. 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 Act. Under English law, the following types of claim may in certain circumstances be brought against a company by its shareholders: contractual claims under its articles of association; 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 their own legal advisers.

Jurisdiction and applicable law

As noted above, Shareholders' rights are governed principally by the Articles and the Act. By subscribing for Shares under the Initial Issue and Share Issuance Programme, investors agree to be bound by the Articles which are governed by, and construed in accordance with, the laws of England and Wales.

Recognition and enforcement of foreign judgments

Regulation (EC) 593/2008 ("**Rome I**") must be applied in all member states of the EU (other than Denmark). Accordingly, where a matter comes before the courts of a Relevant Member State, the choice of a governing law in any given agreement is subject to the provisions of Rome I. Under Rome I, the Member State's courts may apply any rule of that Member State's own law which is mandatory, irrespective of the governing law, and may refuse to apply a rule of governing law if it is manifestly incompatible with the public policy of that Member State. Further, where all other elements relevant to the situation at the time of the choice are located in a country other than the country whose law has been chosen, the choice of the parties shall not prejudice the application of provisions of the law of that other country which cannot be derogated from by agreement. Shareholders should note that there are a number of legal instruments providing for the recognition and enforcement of foreign judgments in England. Depending on the nature and jurisdiction of the original judgment, Council Regulation (EC) No 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, Regulation (EC) No 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims, the Lugano Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters of 30 October 2007, the Administration of Justice Act 1920, and the Foreign Judgments (Reciprocal Enforcement) Act 1933 may apply. There are no legal instruments providing for the recognition and enforcement of judgments obtained in jurisdictions outside those covered by the instruments listed above, although such judgments might be enforceable at common law.

9. OVERSEAS PERSONS AND RESTRICTED TERRITORIES

The attention of potential investors who are not resident in, or who are not citizens of, the UK is drawn to the sections below.

The offer of Ordinary Shares under the Initial Issue to Overseas Persons may be affected by the laws of other 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 acquire Shares under the Initial Issue. It is the responsibility of all Overseas Persons receiving this Prospectus and/or wishing to subscribe for Ordinary 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.

In particular, none of the Ordinary Shares have been or will be registered under the laws of any Restricted Territory. Accordingly, the Ordinary Shares may not be offered, sold, issued or delivered, directly or indirectly, within any Restricted Territory unless an exemption from any registration requirement is available.

No person receiving a copy of this Prospectus in any territory other than the UK may treat the same as constituting an offer or invitation to them, unless in the relevant territory such an offer can

lawfully be made to them without compliance with any material further registration or other legal requirements.

Persons (including, without limitation, nominees and trustees) receiving this Prospectus should not distribute or send it to any jurisdiction where to do so would or might contravene local securities laws or regulations.

Investors should additionally consider the provisions set out under the heading “Important Notices” on pages 42 to 47 of this Prospectus.

The Shares have not been and will not be registered under the Securities Act. Outside the United States, the Shares may be sold to persons who are not US Persons. Any sale of Shares in the United States or to US persons may only be made to persons reasonably believed to be QIBs that are also QPs. The Company will not be registered under the Investment Company Act and investors in the Shares will not be entitled to benefits of regulation under that act. Furthermore, the Investment Manager is not registered under the Investment Advisers Act and investors in the Shares and the Company will not be entitled to the benefits of the requirements applicable to investment managers registered under that act.

The Company reserves the right to treat as invalid any agreement to subscribe for Shares under any 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.

9.1 Certain ERISA Considerations

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.

9.2 Representations, Warranties and Undertakings

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

- 9.2.1 Unless otherwise agreed with the Company, it is located outside the United States, it is not a US Person, it is acquiring the Shares in an “offshore transaction” meeting the requirements of Regulation S and it is not acquiring the Shares for the account or benefit of a US Person;
- 9.2.2 the Shares have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, transferred or delivered, directly or indirectly, into or within the United States or to, or for the account or benefit of, US Persons, except pursuant to an exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner which would not require the Company to register under the Investment Company Act;
- 9.2.3 the Company has not been and will not be registered under the Investment Company Act and, as such, investors will not be entitled to the benefits of the Investment Company Act and the Company has elected to impose restrictions on each 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 Investment Company Act;

- 9.2.4 if in the future it decides to offer, sell, transfer, assign, pledge or otherwise dispose of the Shares or any beneficial interest therein, it will do so only (i) in an “offshore transaction” complying with the provisions of Regulation S to a person outside the United States and not known by the transferor to be a US 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;
- 9.2.5 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 Securities Act, the Investment Company Act or any other applicable securities laws;
- 9.2.6 it is aware and acknowledges that the Company reserves the right to make inquiries of any holder of the Shares or interests therein at any time as to such person’s status under US 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 US federal securities laws to transfer such Shares or interests in accordance with the Articles;
- 9.2.7 the representations, warranties, undertakings, agreements and acknowledgements contained in this Prospectus are irrevocable and it acknowledges that the Company, Jefferies, their respective Affiliates and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, undertakings, agreements and acknowledgements;
- 9.2.8 if any of the foregoing representations, warranties, undertakings, agreements or acknowledgements are no longer accurate or have not been complied with, it will immediately notify the Company and Jefferies; and
- 9.2.9 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 it has full power to make, and does make, such foregoing representations, warranties, undertakings, agreements and acknowledgements on behalf of each such account.

PART VI – TAXATION

The information below, which relates only to the UK, summarises the advice received by the Board and is applicable to the Company and (except in so far as express reference is made to the treatment of other persons) to persons who are resident in the United Kingdom for taxation purposes and who hold Shares as an investment. It is based on current UK tax law and published practice, respectively, which law or practice is, in principle, subject to any subsequent changes therein (potentially with retrospective effect). It is not intended to be, nor should it be construed to be, legal or tax advice. 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 of investing in the Company may depend upon the Shareholder's own tax position and upon the relevant laws of any jurisdiction to which the Shareholder is subject.

If you are in any doubt about your tax position, you should consult your professional adviser.

1. THE COMPANY

The Directors have applied to, and obtained approval (conditional on Initial Admission) from, HMRC as an investment trust company and intend at all times to conduct the affairs of the Company so as to enable it to satisfy the conditions necessary for it to be eligible as an investment trust under Chapter 4 of Part 24 of the Corporation Tax Act 2010 (as amended) and the Investment Trust (Approved Company) (Tax) Regulations 2011 (as amended). However, neither the Investment Manager nor the Directors can provide assurance that this eligibility will be maintained. One of the conditions for a company to qualify as an investment trust is that it is not a "close company" for UK tax purposes. The Directors consider that the Company should not be a close company immediately following Initial Admission. In respect of each accounting period for which the Company is approved by HMRC as an investment trust, the Company will be exempt from UK taxation on its chargeable gains. The Company will, however, (subject to what follows) be liable to UK corporation tax on its income in the normal way. Income arising from overseas investments may be subject to foreign withholding taxes at varying rates, but double taxation relief may be available. The Company should in practice be exempt from UK corporation tax on dividend income received, provided that such dividends (whether from UK or non UK companies) fall within one of the "exempt classes" in Part 9A of the Corporation Tax Act 2009.

2. SHAREHOLDERS

2.1 Taxation of chargeable gains

A disposal of Shares (including a disposal on a winding up of the Company) by a Shareholder who is resident in the UK for tax purposes, or who is not so resident but carries on a trade in the UK through a branch, agency or permanent establishment in connection with which their investment in the Company is used, held or acquired, may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains, depending on the Shareholder's circumstances and subject to any available exemption or relief.

UK-resident and domiciled individual Shareholders have an annual exemption, such that capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The annual exemption is £11,700 for the tax year 2018/2019. For such individual Shareholders, capital gains tax will be chargeable on a disposal of Shares at the applicable rate (the current rate being 10 per cent. for basic rate taxpayers or 20 per cent. for higher or additional rate taxpayers).

Generally, an individual Shareholder who has ceased to be resident in the UK for tax purposes for a period of five years or less and who disposes of Shares during that period may be liable on their return to the UK to UK taxation on any chargeable gain realised (subject to any available exemption or relief). Special rules apply to Shareholders who are subject to tax on a "split-year" basis, who should seek specific professional advice if they are in any doubt about their position.

Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to corporation tax at the rate of corporation tax applicable to that Shareholder (currently at a rate of 19 per cent. and reducing to 17 per cent. from 1 April 2020) on chargeable gains arising on a disposal of their Shares.

Shareholders who are neither resident in the UK, nor temporarily non-resident for the purposes of the anti-avoidance legislation referred to above, and who do not carry on a trade in the UK through a branch, agency or permanent establishment with which their investment in the Company is connected, should not be subject to UK taxation on chargeable gains on a disposal of their Shares.

2.2 Dividends – individuals

The following statements summarise the expected UK tax treatment for individual Shareholders who receive dividends from the Company.

UK resident individuals are entitled to a nil rate of income tax on the first £2,000 of dividend income in a tax year (the “**Nil Rate Amount**”). Any dividend income received by a UK resident individual Shareholder in respect of the Shares in excess of the Nil Rate Amount will be subject to income tax at a rate of 7.5 per cent. to the extent that it is within the basic rate band, 32.5 per cent. to the extent that it is within the higher rate band and 38.1 per cent. to the extent that it is within the additional rate band.

Dividend income that is within the Nil Rate Amount counts towards an individual’s basic or higher rate limits and will therefore affect the level of savings allowance to which they are entitled, and the rate of tax that is due on any dividend income in excess of the Nil Rate Amount. In calculating into which tax band any dividend income over the Nil Rate Amount falls, savings and dividend income are treated as the highest part of an individual’s income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice.

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

If an election under SI2009/2034 is made by the Company to designate part or all of its dividends as an interest distribution in respect of an accounting period, then the corresponding dividends paid by the Company will be taxed as interest income on UK resident individual shareholders. To the extent the Shareholder is within the basic rate band, interest received in excess of the Tax-free savings income of £1,000, will be taxed at 20 per cent. To the extent the Shareholder is within the higher rate band, interest received in excess of the Tax-free savings income for higher rate tax payers of £500, will be taxed at 40 per cent. To the extent the Shareholder is within the additional rate band, interest received will be taxed at 45 per cent. The Tax-free savings income is not available for additional rate taxpayers.

2.3 Dividends – corporations

A corporate Shareholder who is tax resident in the UK or carries on a trade in the UK through a permanent establishment in connection with which its Shares are held will be subject to UK corporation tax on the gross amount of any dividends paid by the Company, unless the dividend falls within one of the exempt classes set out in Part 9A of the Corporation Tax Act 2009.

It is anticipated that dividends paid on the Shares to UK tax resident corporate Shareholders would generally (subject to anti-avoidance rules) fall within one of those exempt classes, however, such Shareholders are advised to consult their independent professional tax advisers to determine whether such dividends will be subject to UK corporation tax. If the dividends do not fall within any of the exempt classes, they will be subject to corporation tax, currently at a rate of 19 per cent. and reducing to 17 per cent. from 1 April 2020.

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

If an election under SI2009/2034 is made by the Company to designate part or all of its dividends as an interest distribution in respect of an accounting period then the corresponding dividends paid by the Company will be generally taxed according to loan relationship rules on UK Corporate shareholders and subject to corporation tax at a current rate of 19 per cent and reducing to 17 per cent from 1 April 2020.

3. STAMP DUTY AND STAMP DUTY RESERVE TAX (“SDRT”)

Transfers on sale of existing Shares held in certificated form will generally be subject to UK stamp duty at the rate of 0.5 per cent. of the amount or value of the consideration given for the transfer (rounded up to the nearest £5). However, an exemption from stamp duty will be available on an instrument transferring existing Shares where the amount or value of the consideration is £1,000 or less, and it is certified on the instrument that the transaction effected by the instrument does not

form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000. The purchaser normally pays the stamp duty.

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

Paperless transfers of existing Shares within the CREST system will generally be liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system (but in practice the cost will be passed on to the purchaser). Deposits of Shares into CREST will not generally be subject to SDRT, unless the transfer into CREST is itself for consideration in the form of money or money's worth.

The issue of new Shares pursuant to the Initial Placing and any Subsequent Placing should not generally be subject to UK stamp duty or SDRT.

4. ISAS, SIPPS AND SSASS

Shares issued by the Company should be eligible to be held in a stocks and shares ISA, subject to applicable annual subscription limits (£20,000 in the tax year 2018/2019).

Investments held in ISAs will be free of UK tax on both capital gains and income.

Selling shares within an ISA to reinvest would not count towards the Shareholder's capital gains annual exemption limit and for "flexible" ISAs (which does not include junior ISAs) Shareholders may be entitled to withdraw and replace funds in their stocks and shares ISA, in the same tax year, without using up their annual subscription limit.

Shares should be eligible for inclusion in a self-invested personal pension ("SIPP") or a small self-administered scheme ("SSAS"), subject to the discretion of the trustees of the SIPP or the SSAS, as the case may be.

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

5. INFORMATION REPORTING

The UK has entered into international agreements with a number of jurisdictions which provide for the exchange of information in order to combat tax evasion and improve tax compliance. These include, but are not limited to, an Inter-Governmental Agreement with the United States in relation to FATCA, International Tax Compliance Agreements with Guernsey, Jersey, the Isle of Man and Gibraltar and agreements regarding the OECD's global standard for automatic and multilateral exchange of information between tax authorities, known as the "Common Reporting Standard". The UK is also subject to obligations regarding mandatory automatic exchange of information in the field of taxation pursuant to EU Council Directive 2014/107/EU, which implements the Common Reporting Standard in the Member States. In connection with such international agreements and obligations the Company may, inter alia, be required to collect and report to HMRC certain information regarding Shareholders and other account holders of the Company and HMRC may pass this information on to tax authorities in other jurisdictions in accordance with the relevant international agreements.

PART VII – ADDITIONAL INFORMATION ON THE COMPANY

1. INCORPORATION OF THE COMPANY

- 1.1 The Company was incorporated in England and Wales under the Act as a public limited company on 12 October 2018 with registered number 11620959. The Company has received a certificate under section 761 of the Act entitling it to commence business and to exercise its borrowing powers. The Company has given notice to the Registrar of Companies that it intends to carry on business as an investment company under section 833 of the Act.
- 1.2 Save for its entry into the material contracts summarised in paragraph 11 below and certain non-material contracts, since its incorporation the Company has not commenced operations, has not declared any dividend and no financial statements have been made up. The Company is resident for tax purposes in the United Kingdom and currently has no employees. The Company has no reserves.
- 1.3 The principal activity of the Company is to invest its assets in accordance with the investment policy set out in paragraph 2 of Part I (Information on the Company) of this Prospectus.
- 1.4 The Company operates under the Act and is not regulated as a collective investment scheme by the FCA. Its registered office and principal place of business is at Asticus Building 2nd Floor, 21 Palmer Street, London, SW1H 0AD, and the statutory records of the Company will be kept at this address (save for the register of members, which will be kept at the Registrar's address). The Company's telephone number is +44 (0) 203 327 9720.

2. PRINCIPAL ACTIVITIES OF THE COMPANY

- 2.1 The Company has applied to, and obtained approval (conditional on a final review of this Prospectus and Initial Admission) from, HMRC as an investment trust company and intends at all times to conduct its affairs so as to enable it to qualify as an investment trust for the purposes of Part 4 of Chapter 24 of the Corporation Tax Act 2010 and the UK Investment Trust (Approved Company) (Tax) Regulations 2011 (as amended).
- 2.2 In summary, the conditions that must be met for a company to be approved as an investment trust for an accounting period are that, in relation to that accounting period:
 - 2.2.1 all, or substantially all, of the business of the company is to invest its funds in shares, land or other assets with the aim of spreading investment risk and giving members of the company the benefit of the results of the management of its funds;
 - 2.2.2 the shares making up the company's ordinary share capital (or, if there are such shares of more than one class, those of each class), which, for these purposes, shall include the Ordinary Shares and any class of C Shares, are admitted to trading on a regulated market;
 - 2.2.3 the company is not a venture capital trust or a real estate investment trust;
 - 2.2.4 the company is not a close company (as defined in section 439 of the Corporation Tax Act 2010); and
 - 2.2.5 subject to particular rules that may apply where the company has accumulated revenue losses brought forward from previous accounting periods, the company does not retain an amount which is greater than the higher of: (i) 15 per cent. of its income for the accounting period; and (ii) any amount of income that the company is required to retain in respect of the accounting period by virtue of a restriction imposed by law.

3. THE AIFM

- 3.1 The Investment Manager, Sustainable Development Capital LLP, a limited liability partnership incorporated in England and Wales under the UK Limited Liability Partnership Act 2000 with registered number OC330266, is the Company's AIFM. It is authorised and regulated by the FCA. The registered office of the Investment Manager is Foxglove House, 166 Piccadilly, London, W1J 9EF, United Kingdom and its telephone number is +44 (0) 20 7287 7700.

4. DEPOSITARY

- 4.1 Sanne Group Administration Services (UK) Limited has been appointed as Depositary of the Company pursuant to the Depositary Agreement (further details of which are set out in paragraph 11.3 below). The Depositary is a private limited company incorporated in England

and Wales under the Act with registered number 05666576. It is authorised by the FCA for the purpose of providing depository services. The address of the registered office of the Depository is Asticus Building 2nd Floor, 21 Palmer Street, London, SW1H 0AD, and its telephone number is +44 (0) 203 327 9720.

5. SHARE CAPITAL

5.1 Shares and Redeemable Preference Shares

5.1.1 The ISIN of the Ordinary Shares is GB00BGHVZM47 and the SEDOL is BGHVZM4. The ticker symbol of the Company is SEIT. Each class of C Shares issued pursuant to a Subsequent Issue made throughout the Share Issuance Programme will have separate ISINs, SEDOLs and ticker symbols issued. The announcement of each issue of C Shares will contain details of the relevant ISIN, SEDOL and ticker symbol for such class of C Shares being issued.

5.1.2 On incorporation, the share capital of the Company was £50,000.01 represented by one Ordinary Share of £0.01 nominal value and 5,000,000 Redeemable Preference Shares of £0.01 nominal value, which were held by the Existing Shareholder to allow the Company to commence business and to exercise its borrowing powers under section 761 of the Act.

5.1.3 Set out below is the issued share capital of the Company: (a) as at the date of this Prospectus; and (b) immediately following the Initial Issue (assuming 150,000,000 Ordinary Shares are issued and that the cancellation of the Redeemable Preference Shares has occurred pursuant to the resolution described in paragraph 5.3 below). All Ordinary Shares issued pursuant to the Initial Issue will be fully paid on Initial Admission.

	At the date of this Prospectus		Immediately following the Initial Issue	
	Number of Shares	Aggregate nominal value	Number of Shares	Aggregate nominal value
Ordinary Shares	1	£0.01	150,000,000	£1,500,000
Redeemable Preference Shares	5,000,000	£0.01	0	N/A

5.2 The effect of the Initial Issue will be to increase the net assets of the Company. On the assumption that the Gross Initial Proceeds are £150 million, the Initial Issue is expected to increase the net assets of the Company by £147 million.

5.3 At a general meeting of the Company held on 19 November 2018, the Existing Shareholder of the Company approved resolutions as follows:

- (A) the Directors were authorised to allot Ordinary Shares in connection with the Initial Issue up to an aggregate nominal amount of £2 million, such authority to expire at the end of the period of five years from the date of the passing of that resolution;
- (B) the Directors were authorised to allot Ordinary Shares and C Shares convertible into Ordinary Shares pursuant to the Share Issuance Programme, up to an aggregate nominal amount equal to the difference between the nominal amount of the Ordinary Shares issued under the Initial Issue and £10 million, such authority to expire at the end of the period of five years from the date of the passing of that resolution;
- (C) the Directors were empowered to allot Ordinary Shares and C Shares as referred to in sub-paragraphs (A) and (B) above on a non pre-emptive basis provided that this power will expire upon the expiry of the authorities to allot Shares referred to in sub-paragraphs (A) and (B) above;
- (D) the Company was authorised to make market purchases of Ordinary Shares on such terms and in such manner as the Directors may from time to time determine, provided that:

- (1) the maximum number of Ordinary Shares authorised to be acquired other than pursuant to an offer made to Shareholders generally is equal to 14.99 per cent. of the number of Ordinary Shares in issue immediately following Initial Admission;
 - (2) the minimum price which may be paid for any Ordinary Share is £0.01;
 - (3) the maximum price (exclusive of expenses) which may be paid for any Ordinary Share is the higher of: (i) an amount equal to 105 per cent. of the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five Business Days immediately preceding the day on which such Share is contracted to be purchased; and (ii) the higher of: (a) the price of the last independent trade; and (b) the highest current independent bid for an Ordinary Share in the Company on the trading venues where the relevant market purchases by the Company pursuant to the authority conferred by that resolution will be carried out; and
 - (4) such authority shall expire at the end of the Company's first annual general meeting, unless previously renewed, varied or revoked by the Company in general meeting;
- (E) conditionally upon: (i) the Company having sufficient paid up share capital to maintain its status as a public limited company and to comply with the conditions of section 761 of the Act; and (ii) the approval of the courts of England and Wales, the Company was authorised to cancel the 5,000,000 Redeemable Preference Shares in issue; and
- (F) conditionally upon: (i) Initial Admission occurring; and (ii) the approval of the courts of England and Wales, the Company was authorised to cancel the amount standing to the credit of the share premium account of the Company immediately following Initial Admission.
- 5.3.2 The cancellation of the Company's share premium account will enable the Directors to make Ordinary Share repurchases out of the Company's distributable reserves to the extent considered desirable by the Directors. The Company may, where the Directors consider it appropriate, use the reserve created by the cancellation of its share premium account to pay dividends.
- 5.3.3 Subject as provided elsewhere in this Prospectus and in the Articles, Ordinary Shares are freely transferable.
- 5.3.4 There are no pre-emption rights relating to the Ordinary Shares in the Articles. Statutory pre-emption rights in the Act apply, save to the extent disapplied by Shareholders as referred to in this paragraph 5.3 or otherwise.
- 5.3.5 Save as disclosed in this Prospectus, since the date of its incorporation, no share or loan capital of the Company has been issued or agreed to be issued, or is now proposed to be issued, either for cash or any other consideration, and no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any such capital. Save as disclosed in this Prospectus, since the date of its incorporation, no share or loan capital of the Company has been under option or has been agreed, conditionally or unconditionally, to be put under option.
- 5.3.6 The Ordinary Shares and the C Shares will be issued in registered form and may be held in either certificated or uncertificated form and settled through CREST from Initial Admission. In the case of Ordinary Shares to be issued in uncertificated form under the Initial Issue, these will be transferred to successful applicants through CREST. Accordingly, settlement of transactions in the Ordinary Shares following Initial Admission may take place within CREST if any Shareholder so wishes.

5.4 Redemptions at the option of Shareholders

There is no right or entitlement attaching to the Shares that allows them to be redeemed or repurchased by the Company at the option of the Shareholder.

6. MEMORANDUM AND ARTICLES OF ASSOCIATION

6.1 Memorandum

The Memorandum does not restrict the objects of the Company.

6.2 Articles of Association

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

6.2.1 Life

The Company has been established with an unlimited life.

6.2.2 Issue of Shares

Subject to the provisions of the Act, and without prejudice to any rights attaching to any existing Shares, any Share may be issued with such rights or restrictions as the Company may by ordinary resolution determine (or, if the Company has not so determined, as the Directors may determine).

6.2.3 Alteration to Share capital

The Company may by ordinary resolution consolidate and divide all or any of its Share capital into Shares of larger nominal amount than its existing Shares and subdivide its Shares, or any class of them, into Shares of smaller nominal amount than its existing Shares and determine that, as between Shares arising from that subdivision, any of the Shares have any preference or advantage as compared with the others. The Company may by special resolution reduce its Share capital, any capital redemption reserve, any share premium account or any other undistributable reserve in any manner permitted by, and in accordance with, the Act.

6.2.4 Redemption of Shares

Any Share may be issued which is or will be liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such Share.

6.2.5 Dividends

(A) Subject to the provisions of the Act and the Articles, the Directors may by ordinary resolution declare dividends. No dividends shall exceed the amount recommended by the Board. Subject to the provisions of the Act and the Articles, the Directors may pay interim dividends, or dividends payable at a fixed rate, if it appears to them that such dividends are justified by the profits of the Company available for distribution.

(B) Subject to the provisions of the Act and the Articles, all dividends shall be declared and paid according to the amounts paid up on the Shares on which the dividend is paid. If any Share is issued on terms that it ranks for dividend as at a particular date, it shall rank for dividend accordingly. In any other case, dividends shall be apportioned and paid proportionately to the amount paid up on the Shares during any portion(s) of the period in respect of which the dividend is paid.

(C) Notwithstanding any other provision of the Articles, but without prejudice to the rights attached to any Shares, the Company may fix a date and time as the record date by reference to which a dividend will be declared or paid or a distribution, or allotment or issue of Shares, made. No dividends or other money payable in respect of a Share shall bear interest against the Company, unless otherwise provided by the rights attached to the Share.

6.2.6 Distribution of assets on a winding up

If the Company is wound up, the liquidator may, with the sanction of a special resolution and any other sanction required by law and subject to the Act, divide among the Shareholders, in specie, the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Shareholders or different classes of

Shareholders. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Shareholders as the liquidator may with the like sanction determine, but no Shareholder shall be compelled to accept any assets upon which there is a liability.

6.2.7 Voting rights

- (A) Subject to sub-paragraph (B) below and any rights or restrictions attached to any class of Shares, on a show of hands every Shareholder present in person at a meeting has one vote and every proxy present who has been duly appointed by a Shareholder entitled to vote has one vote, and on a poll every Shareholder (whether present in person or by proxy) has one vote for every Share of which they are the holder. A Shareholder entitled to more than one vote need not, if they vote, use all their votes or cast all the votes they use the same way. In the case of joint holders, the vote of the senior who tenders a vote shall be accepted to the exclusion of the vote of the other joint holders, and seniority shall be determined by the order in which the names of the holders appear in the Register.
- (B) No Shareholder shall have any right to vote at any general meeting or at any separate meeting of the holders of any class of Shares, either in person or by proxy, in respect of any Share held by them unless all amounts presently payable by them in respect of that Share have been paid.

6.2.8 Variation of rights

If at any time the capital of the Company is divided into different classes of shares, the rights attached to any class may be varied in such manner as may be provided by those rights or by consent of the holders of that class of Shares.

6.2.9 General Meetings

- (A) General meetings may be called by the Directors. If there are not sufficient Directors to form a quorum in order to call a general meeting, any Director may call a general meeting. If there is no Director, any Shareholder may call a general meeting.
- (B) Subject to the provisions of the Act, an annual general meeting and all other general meetings of the Company shall be called by at least such minimum period of notice as is prescribed or permitted under the Act.
- (C) No business shall be transacted at any meeting unless a quorum is present. Three persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation which is a Shareholder (including for this purpose two persons who are proxies or corporate representatives of the same Shareholder), shall be a quorum.
- (D) A Shareholder is entitled to appoint another person as their proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. A Shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by him. Subject to the provisions of the Act, any corporation (other than the Company itself) which is a Shareholder may, by resolution of its directors or other governing body, authorise any person(s) to act as its representative(s) at any meeting of the Company, or at any separate meeting of the holders of any class of Shares. Delivery of an appointment of proxy shall not preclude a Shareholder from attending and voting at the meeting or at any adjournment of it.
- (E) Directors may attend and speak at general meetings and at any separate meeting of the holders of any class of Shares, whether or not they are Shareholders.
- (F) A poll on a resolution may be demanded at a general meeting either before a vote on a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

6.2.10 Redeemable Preference Shares

Redeemable Preference Shares are not entitled to receive any dividend or distribution made or declared by the Company except for a fixed annual dividend equal to 0.00001 per cent. of their issue price. Save where there are no other Shares of the Company in issue, Redeemable Preference Shares shall carry no right to attend, receive notice of or to vote at any general meeting of the Company. On a winding up of the Company, the holder of a Redeemable Preference Share shall be entitled to be repaid the capital paid up thereon pari passu with the repayment of the nominal amount of the Shares.

6.2.11 Restrictions on rights: failure to respond to a section 793 notice

If a Shareholder, or any other person appearing to be interested in Shares held by that Shareholder, has been given a notice under section 793 of the Act and has failed in relation to any Shares (the “**default Shares**”) to give the Company the information thereby required within 14 days of the notice, sanctions shall apply unless the Directors determine otherwise. The sanctions available are the suspension of the right to attend or vote (whether in person or by representative or proxy) at any general meeting of Shareholders or any separate meeting of the holders of any class of Shares or on any poll and, where the default Shares represent at least 0.25 per cent. of their class (excluding treasury Shares), the withholding of any dividend payable in respect of those default Shares and the restriction of the transfer of any default Shares (subject to certain exceptions).

6.2.12 Untraced Shareholders

Subject to various notice requirements, the Company may sell any of a Shareholder's Shares if, during a period of 12 years, at least three dividends (either interim or final) on such Shares have become payable and no cheque for amounts payable in respect of such Shares has been presented and no warrant or other method of payment has been effected and no communication has been received by the Company from the Shareholder or person concerned.

6.2.13 Borrowing powers

The Directors shall restrict the borrowings of the Company so as to secure that the aggregate principal amount (including any premium payable on final repayment) outstanding of all money borrowed by the Company shall not at any time when any borrowing is drawn down, save with the previous sanction of an ordinary resolution of the Company, exceed an amount equal to 50 per cent. of NAV, calculated at the time of borrowing.

6.2.14 Transfer of Shares

- (A) A Share in certificated form may be transferred by an instrument of transfer, which may be in any usual form or in any other form approved by the Directors, executed by or on behalf of the transferor and, where the Share is not fully paid, by or on behalf of the transferee. The transferor and/or the transferee shall deliver to the Company (and/or other person designated by the Company) such written certifications in form and substance satisfactory to the Company as the Directors may determine in accordance with applicable law.
- (B) A Share in uncertificated form may be transferred by means of the relevant system concerned.
- (C) In their absolute discretion, the Directors may refuse to register the transfer of a Share in certificated form which is not fully paid provided that, if the Share is traded on a regulated market, such refusal does not prevent dealings in the Shares from taking place on an open and proper basis. The Directors may also refuse to register a transfer of a Share in certificated form unless the instrument of transfer:
 - (1) is lodged, duly stamped, at the registered office of the Company or such other place as the Directors may appoint and is accompanied by the certificate for the Share to which it relates and such other evidence as the

Directors may reasonably require to show the right of the transferor to make the transfer and/or the transferee to receive the transfer (including such written certifications in form and substance satisfactory to the Company as the Directors may determine in accordance with applicable law);

(2) is in respect of only one class of Share;

(3) is not in favour of more than four transferees; and

the transfer is not in favour of any Non-Qualified Holder.

- (D) The Directors may refuse to register a transfer of a Share in uncertificated form to a person who is to hold it thereafter in certificated form in any case where the Company is entitled to refuse (or is excepted from the requirement) under the CREST Regulations to register the transfer.
- (E) If the Directors refuse to register a transfer of a Share, they shall send the transferee notice of that refusal with reasons for the refusal within two months after the date on which the transfer was lodged with the Company (for the transfer of a Share in certificated form) or the date the operator instruction was received by the Company (for the transfer of a Share in uncertificated form which will be held thereafter in certificated form).
- (F) No fee shall be charged for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any Share.
- (G) The Directors may, in their absolute discretion, decline to transfer, convert or register any transfer of Shares to any person: (i) whose ownership of Shares may cause the Company's assets to be deemed "plan assets" for the purposes of ERISA or the US Tax Code; (ii) whose ownership of Shares may cause the Company to be required to register as an "investment company" under the Investment Company Act or to lose an exemption or a status thereunder to which it might otherwise be entitled (including because the holder of Shares is not a "qualified purchaser" as defined in the Investment Company Act); (iii) whose ownership of Shares may cause the Company to be required to register under the Exchange Act or any similar legislation; (iv) whose ownership of Shares may cause the Company to be a "controlled foreign corporation" for the purposes of the US Tax Code, or may cause the Company to suffer any pecuniary disadvantage (including any excise tax, penalties or liabilities under ERISA or the US Tax Code); (v) whose ownership of Shares may cause the Company to cease to be considered a "foreign private issuer" for the purposes of the Securities Act or the Exchange Act; or (vi) whose ownership of Shares would or might result in the Company not being able to satisfy its obligations on the Common Reporting Standard developed by the Organisation for Economic Co-Operation and Development or such similar reporting obligations on account of, inter alia, non-compliance by such person with any information request made by the Company, (each person described in (i) to (vi) above, being a "**Non-Qualified Holder**").

If any Non-Qualified Holder owns any Shares, whether directly, indirectly or beneficially, the Directors may give notice requiring such person within 30 days to:

- establish to the satisfaction of the Directors that such person is not a Non-Qualified Holder; or
- sell or transfer his Shares to a person who is not a Non-Qualified Holder, and to provide the Directors with satisfactory evidence of such sale or transfer. Pending sale or transfer of such Shares, the Directors may suspend rights with respect to the Shares.

If any person upon whom a notice is served pursuant to this paragraph (G) does not within 30 days transfer his Shares or establish to the satisfaction of the Directors that he is not a Non-Qualified Holder, the Directors may arrange for the sale of the Shares on behalf of the registered holder at the best price

reasonably obtainable at the time. The manner, timing and terms of any such sale shall be such as the Directors determine (based on appropriate professional advice) to be reasonably obtainable having regard to all material circumstances.

6.2.15 Appointment of Directors

- (A) Unless the Company determines otherwise by ordinary resolution, the number of Directors (other than alternate Directors) shall not be less than three and no more than nine.
- (B) Subject to the Articles, the Company may by ordinary resolution appoint a person who is willing to act as a Director, and is permitted by law to do so, to be a Director either to fill a vacancy or as an additional Director. The Directors may appoint a person who is willing to act as a Director, and is permitted by law to do so, to be a Director, either to fill a vacancy or as an additional Director. A person appointed as a Director by the other Directors is required to retire at the Company's next annual general meeting and shall then be eligible for reappointment by Shareholders.
- (C) Until otherwise determined by the Company by ordinary resolution, there shall be paid to the directors (other than alternate directors) such fees for their services in the office of director as the directors may determine, not exceeding in the aggregate an annual sum of £300,000 (or such sum as the Company may by ordinary resolution decide).

6.2.16 Powers of Directors

- (A) The business of the Company shall be managed by the Directors who, subject to the provisions of the Articles and to any directions given by special resolution to take, or refrain from taking, specified action, may exercise all the powers of the Company.
- (B) The Directors may appoint one or more of their number to the office of managing Director or to any other executive office of the Company and, subject to the provisions of the Act, any such appointment may be made for such term, at such remuneration and on such other conditions as the Directors think fit.
- (C) Any Director (other than an alternate Director) may appoint any other Director, or any other person approved by resolution of the Directors and willing to act and permitted by law to do so, to be an alternate Director and may remove such an alternate Director from office.

6.2.17 Voting at board meetings

- (A) No business shall be transacted at any meeting of the Directors unless a quorum, which may be fixed by the Directors from time to time, is present; unless so fixed at any other number, the quorum shall be two. A Director shall not be counted in the quorum present in relation to a matter or resolution on which he is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting. An alternate Director who is not himself a Director shall, if his or her appointor is not present, be counted in the quorum.
- (B) Questions arising at a meeting of the Directors shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall, unless he is not entitled to vote on the resolution, have a second or casting vote.

6.2.18 Restrictions on voting

Subject to any other provision of the Articles, a Director shall not vote at a meeting of the Directors on any resolution concerning a matter in which he has, directly or indirectly, a material interest (other than an interest in Shares, debentures or other securities of, or otherwise in or through, the Company) unless his interest arises only because the case falls within certain limited categories specified in the Articles.

6.2.19 **Directors' interests**

Subject to the provisions of the Act and provided that the Director has disclosed to the other Directors the nature and extent of any material interest of his or hers, a Director, notwithstanding his or her office, may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested and may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested.

6.2.20 **Periodic retirement**

Each Director shall retire from office, and stand for re-election, at each annual general meeting.

6.2.21 **Indemnity**

Subject to the provisions of the Act, the Company may indemnify to any extent any person who is or was a Director, directly or indirectly (including by funding any expenditure incurred or to be incurred by the Director) against any loss or liability whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by them or otherwise in relation to the Company or any associated company; and purchase and maintain insurance for any person who is or was a Director, or a Director of any associated company, against any loss or liability or any expenditure they may incur, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by them or otherwise, in relation to the Company or any associated company.

6.2.22 **C Shares**

(A) **Definitions**

“**C Share**” a redeemable C share of £0.01 in the capital of the Company carrying the rights set out in the Articles;

“**C Share Surplus**” means, in relation to any tranche of C Shares, the net assets of the Company attributable to the holders of C Shares of that tranche (including, for the avoidance of doubt, any income and/or revenue arising from or relating to such assets) less such proportion of the Company's liabilities (including the fees and expenses of the liquidation or return of capital (as the case may be)) as the Directors or the liquidator (as the case may be) shall reasonably allocate to the assets of the Company attributable to such holders;

“**C Shareholder**” means a holder of C Shares;

“**Conversion**” means, in relation to any tranche of C Shares, conversion of the C Shares of that tranche into New Shares in accordance with the Articles;

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

- a) close of business on the day to be determined by the Directors occurring not before the day on which the Investment Manager gives notice to the Directors that at least 85 per cent., or such other percentage as the Directors may select as part of the terms of issue of any tranche of C Shares, of the assets attributable to the holders of that tranche of C Shares are invested in accordance with the investment policy of the Company; and
- b) opening of business on the first day on which the Directors resolve that Force Majeure Circumstances in relation to any tranche of C Shares have arisen or are imminent,

provided that the Conversion Calculation Date shall in relation to any tranche of C Shares be such that the Conversion Date shall not be later than such date as may be determined by the Directors on the date of issue of C Shares of such tranche as the last date for Conversion of that tranche;

“Conversion Date” means, in relation to any tranche of C Shares, the earlier of:

- a) such date as may be determined by the Directors on the date of issue of the C Shares of such tranche as the last date for Conversion of such tranche; and
- b) the opening of business on a dealing day selected by the Directors and falling after the Conversion Calculation Date;

“Conversion Ratio” means in relation to each tranche of C Shares, A divided by B calculated to four decimal places (with 0.00005 being rounded upwards) where:

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

and

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

and where:

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

D is the amount (to the extent not otherwise deducted in the calculation of C) which, in the Directors’ opinion, fairly reflects the amount of the liabilities attributable to the holders of C Shares of the relevant tranche on the Conversion Calculation Date;

E is the number of C Shares in issue on the Conversion Calculation Date;

F is the aggregate value of all assets and investments attributable to the Shares on the relevant Conversion Calculation Date calculated in accordance with the accounting principles adopted by the Company from time to time;

G is the amount (to the extent not otherwise deducted in the calculation of F) which, in the Directors’ opinion, fairly reflects the amount of the liabilities attributable to the Shares on the Conversion Calculation Date; and

H is the number of Shares in issue on the Conversion Calculation Date;

“Force Majeure Circumstance” means, in relation to any tranche of C Shares, any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation and/or other circumstances which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable notwithstanding that less than 85 per cent. (or such other percentage as the Directors may select as part of the terms of issue of such tranche) of the assets attributable to the holders of that tranche of C Shares are invested in accordance with the investment policy of the Company;

“Issue Date” means, in relation to any tranche of C Shares, the day on which the Company receives the net proceeds of the issue of the C Shares of that tranche;

“New Shares” means the new ordinary shares arising on Conversion of the C Shares; and

“Share Surplus” means the net assets of the Company less the C Share Surplus or, if there is more than one tranche of C Shares in issue at the relevant time, the C Share Surpluses attributable to each of such tranches.

(B) Issue of C Shares

Subject to the Act, the Directors shall be authorised to issue C Shares in tranches on such terms as they determine provided that such terms are consistent with the provisions of the Articles. The Board shall, on the issue of each tranche of C Shares, determine the Conversion Calculation Date (including the percentage of assets to have been invested prior to calculation of the Conversion Ratio taking place), Conversion Date, Conversion Ratio and voting rights attributable to each such tranche.

Each tranche of C Shares, if in issue at the same time, shall be deemed to be a separate class of shares. The Board may, if it so decides, designate each tranche of C Shares in such manner as it sees fit in order that each tranche of C Shares can be identified.

(C) Dividends

The C Shareholders of any tranche of C Shares will be entitled to receive such dividends as the Board may resolve to pay to such C Shareholders out of the assets attributable to such tranche of C Shareholders.

The New Shares arising on Conversion of the C Shares shall rank in full for all dividends and other distributions declared after the Conversion Date save that, in relation to any tranches of C Shares, the Directors may determine, as part of the terms of issue of such tranche, that the New Shares arising on the Conversion of such tranche will not rank for any dividend declared by reference to a record date falling on or before the Conversion Date.

(D) Rights as to capital

The capital and assets of the Company shall on a winding up or on a return of capital prior, in each case, to Conversion be applied as follows:

- a) first, the Share Surplus shall be divided amongst the holders of the Shares pro rata according to their holdings of Shares; and
- b) secondly, the C Share Surplus attributable to each tranche of C Shares shall be divided amongst the holders of the C Shares of such tranche pro rata according to their holdings of C Shares.

(E) Voting rights

The C Shares shall carry the right to receive notice of and to attend and vote at any general meeting of the Company. The voting rights of holders of C Shares will be the same as those applying to holders of Shares as set out in the Articles as if the C Shares and Ordinary Shares were a single class.

(F) Class consents and variation of rights

Until Conversion, the consent of: (i) the holders of each tranche of C Shares as a class; and (ii) the holders of the Ordinary Shares as a class shall be required to:

- a) make any alteration to the memorandum of association or the articles of association of the Company; or
- b) pass any resolution to wind up the Company,

and accordingly the special rights attached to the C Shares of such tranche and the Ordinary Shares shall be deemed to be varied if such consents are not obtained.

(G) Undertakings

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

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

without prejudice to any obligations pursuant to the Act, procure that separate cash accounts, broker and other settlement accounts and investment ledger accounts shall be created and maintained in the books of the Company for the assets and liabilities attributable to such C Shareholders;

- (b) allocate to the assets attributable to such C Shareholders such proportion of the expenses and liabilities of the Company incurred or accrued between the relevant Issue Date and the Conversion Calculation Date (both dates inclusive) as the Directors fairly consider to be attributable to such C Shares; and
- (c) give appropriate instructions to the Investment Manager to manage the Company's assets so that the provisions of paragraphs (a) and (b) above can be complied with by the Company.

(H) The Conversion process

The Directors shall procure in relation to each tranche of C Shares that:

- a) within 10 Business Days (or such other period as the Directors may determine) after the relevant Conversion Calculation Date, the Conversion Ratio as at the Conversion Calculation Date and the numbers of New Shares to which each holder of C Shares of that tranche shall be entitled on Conversion shall be calculated; and
- b) the auditors shall be requested to certify, within 10 Business Days (or such other period as the Directors may determine) of the relevant Conversion Calculation Date, that such calculations as have been made by the Investment Manager:
 - (A) have been performed in accordance with the articles of association of the Company; and
 - (B) are arithmetically accurate,

whereupon such calculations shall become final and binding on the Company and all members.

The Directors shall procure that, as soon as practicable following such certification, a notice is sent to each C Shareholder advising such C Shareholder of the Conversion Date, the Conversion Ratio and the number of New Shares to which such C Shareholder shall be entitled on Conversion of such C Shareholder's C Shares.

On Conversion, such number of C Shares as shall be necessary to ensure that, upon Conversion being completed, the aggregate number of New Shares into which those C Shares are converted equals the number of C Shares in issue on the Conversion Calculation Date multiplied by the Conversion Ratio and rounded down to the nearest whole Share, shall automatically convert into an equal number of New Shares. The New Shares arising on Conversion shall be divided amongst the former C Shareholders pro rata according to their respective former holdings of C Shares (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to New Shares arising upon Conversion, 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 provided that such proceeds are less than £3.00 per C Shareholder). In the event that the number of C Shares required to be converted into New Shares exceeds the number of C Shares in issue, the Directors shall be authorised (without the need for any further authorisation) to take such additional steps, including issuing additional innominate shares by way of a bonus issue to C Shareholders, as shall be necessary to ensure the proper operation of the Conversion process as described in this paragraph.

Each issued C Share which does not convert into a New Share in accordance with this paragraph shall, immediately upon Conversion, be redeemed by the Company for an aggregate consideration of £0.01 for all of the C Shares to be so redeemed and the notice referred to in this paragraph shall be deemed to constitute notice to each C Shareholder (and any person or persons having the right to acquire or acquiring C Shares on or after the Conversion Calculation Date) that such C Shares shall be so redeemed. The Company shall not be obliged to account to any C Shareholder for the redemption monies in respect of such shares.

Upon request following Conversion, the Company shall issue to each former C Shareholder a new certificate in respect of the New Shares in certificated form which have arisen upon Conversion.

7. THE CITY CODE ON TAKEOVERS AND MERGERS

7.1 Mandatory Bid

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

- a) any person acquires, whether by a series of transactions over a period of time or otherwise, an interest in Shares which, when taken together with Shares in which he and persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights in the Company; or
- b) any person, together with persons acting in concert with them, is interested in Shares which in the aggregate carry not less than 30 per cent. of the voting rights of the Company but does not hold Shares carrying more than 50 per cent. of such voting rights and such person, or any person acting in concert with them, acquires an interest in any other Shares which increases the percentage of Shares carrying voting rights in which they are interested,

such person would be required (except with the consent of the Takeover Panel) to make a cash or cash alternative offer for the outstanding Shares at a price not less than the highest price paid for any interests in the Shares by them or their concert parties during the previous 12 months. Such an offer must only be conditional on:

- a) the person having received acceptances in respect of Shares which (together with Shares already acquired or agreed to be acquired) will result in the person and any person acting in concert with him holding Shares carrying more than 50 per cent. of the voting rights; and
- b) no reference having been made in respect of the offer to the Competition and Markets Authority by either the first closing date or the date when the offer becomes or is declared unconditional as to acceptances, whichever is the later.

7.2 Compulsory Acquisition

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

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

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

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

8.1 Directors' interests

The Directors intend to subscribe for Ordinary Shares pursuant to the Initial Issue in the amounts set out below:

Name	Number of Ordinary Shares
Tony Roper	35,000
Helen Clarkson	5,000
Christopher Knowles	25,000

As at the date of this Prospectus, there are no potential conflicts of interest between any duties owed to the Company of any of the Directors and their private interests and/or other duties. Save as disclosed above, immediately following Initial Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

8.2 Directors' contracts with the Company

8.2.1 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.

8.2.2 The Directors' appointments can be terminated in accordance with the Articles and without compensation or in accordance with the Act or common law. The Directors are subject to retirement and reappointment by rotation in accordance with the Articles.

8.2.3 There is no notice period specified in the letters of appointment or Articles for the removal of Directors. The Articles provide that the office of Director may be terminated by, inter alia: (i) resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; or (iii) the written request of all Directors other than the Director whose appointment is being terminated.

8.2.4 The Directors' current level of remuneration is £30,000 per annum for each Director other than the Chairman, who will receive an additional £15,000 per annum, the chairperson of the Audit Committee, who will receive an additional £5,000 per annum and the senior independent director (who will be Christopher Knowles), who will receive an additional £5,000 per annum.

8.2.5 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. No amounts have been set aside or accrued by the Company to provide pension, retirement or similar benefits.

8.3 Other interests

8.3.1 As at the date of this Prospectus, the Directors hold or have held during the five years preceding the date of this Prospectus the following directorships (apart from their directorships of the Company) or memberships and administrative, management or supervisory bodies and/or partnerships:

Name	Current	Previous
Tony Roper	Aberdeen Standard European Logistics Income Plc Affinity Water Acquisitions (Holdco) Limited Affinity Water Acquisitions (Investments) Limited Affinity Water Acquisitions Limited Affinity Water Acquisitions (Midco) Limited Affinity Water Capital Funds Limited Affinity Water Finance (2004) PLC Affinity Water Finance plc Affinity Water Holdco Finance Limited Affinity Water Holdings Limited Affinity Water Limited Daiwater Investment Limited	Academy Services (Norwich) Holdings Limited Academy Services (Norwich) Limited Academy Services (Oldham) Holdings Limited Academy Services (Oldham) Limited Academy Services (Sheffield) Holdings Limited Academy Services (Sheffield) Limited Amalie Infrastructure Limited Amalie PFI (UK) Limited Blue Light Holdings Limited Blue3 (Gloucestershire Fire) Limited Blue3 (Gloucestershire Fire) (Holdings) Limited Bootle Accommodation Partnership Holding Limited Bootle Accommodation Partnership Limited Brentwood Healthcare Partnership Holding Limited Brentwood Healthcare Partnership Limited Central Blackpool PCC Holding Company Central Blackpool PCC Limited Children's Ark Partnerships Holdings Limited Children's Ark Partnerships Limited CSES (Dorset) Limited Ealing Schools Partnerships Holdings Limited Ealing Schools Partnerships Limited European Investments Solar Holdings 2 Limited European Investments Solar Holdings Limited European Investments Tulip Limited European Storage Investments Group Limited European Wind Investments Group 2 Limited European Wind Investments Group Limited Hadfield Healthcare Partnerships Holding Limited Hadfield Healthcare Partnerships Limited HDM Schools Solutions (Holdings) Limited HDM Schools Solutions Ltd HICL Infrastructure Company Limited HICL Infrastructure Ltd ICB Securities 1 Limited ICB Securities 2 Unlimited InfraRed Capital Partners (Management) LLP InfraRed Capital Partners Limited InfraRed (Infrastructure) Capital Partners Limited InfraRed Infrastructure III General

Name	Current	Previous
		Partner Limited
		InfraRed Infrastructure Yield General
		Partner Limited
		InfraRed Infrastructure Yield
		Holdings Limited
		Infrastructure Investments (A63)
		Holdings Limited
		Infrastructure Investments (Affinity)
		Limited
		Infrastructure Investments
		(Colorado) Limited
		Infrastructure Investments (Defence)
		Limited
		Infrastructure Investments (Health)
		Limited
		Infrastructure Investments (HSL
		Zuid) Limited
		Infrastructure Investments (No 7)
		Limited
		Infrastructure Investments (No 8)
		Limited
		Infrastructure Investments (Portal)
		Limited
		Infrastructure Investments (Portal)
		GP Limited
		Infrastructure Investments
		(Portsmouth) Limited
		Infrastructure Investments (Roads)
		Limited
		Infrastructure Investments Betjeman
		(Holdco) Limited
		Infrastructure Investments Betjeman
		Limited
		Infrastructure Investments General
		Partner Limited
		Infrastructure Investments Holdings
		Limited
		Infrastructure Investments OFTO 1
		Limited
		Infrastructure Investments Trafalgar
		Limited
		Irish Wind Investments Group
		Limited
		Kajima Darlington Schools Holding
		Limited
		Kajima Darlington Schools Limited
		Kajima Haverstock Holding Limited
		Kajima Haverstock Limited
		Kajima Newcastle Libraries Holding
		Limited
		Kajima Newcastle Libraries Limited
		Kajima North Tyneside Holdings
		Limited
		Kajima North Tyneside Limited
		Leonardo Investment Holdings
		Limited
		Manchester Housing (MP Equity)
		Limited
		Manchester Housing (MP Subdebt)
		Limited
		Manchester Housing (MP Topco)
		Limited
		Newham Learning Partnership (PSP)
		Limited
		New Intermediate Care Limited
		New Schools Investment Company
		Limited
		Offshore Wind Investments Group
		Limited
		Prospect Healthcare

Name	Current	Previous
		(Hinchingsbrooke) Holdings Limited Prospect Healthcare (Hinchingsbrooke) Limited RBLH Limited RBLH Medway Investment Company Limited RBLH RWF Investment Company Limited Redwood Partnership Ventures 2 Limited Redwood Partnership Ventures Limited RL Investment Limited Road Infrastructure (Ireland) Limited Schools Investment Company (IRL) Limited Services Support (Gravesend) Holdings Limited Services Support (Gravesend) Limited Services Support (SEL) Holdings Limited Services Support (SEL) Limited The Renewables Infrastructure Group (France) SAS The Renewables Infrastructure Group (UK) Investments Limited The Renewables Infrastructure Group (UK) Limited UK GDN Investments Holdco Limited UK GDN Investments Topco Limited UK GDN Investments Limited V.B. Investments Limited Wooldale Partnerships Holdings Limited Wooldale Partnerships Limited Yorker Holdings PKR Limited Zealburg Holdings Limited
Helen Clarkson	The Climate Group	Forum for the Future Natural Step Canada North Brooklyn Runners
Christopher Knowles	Meridiam Infrastructure Africa Fund Quercus Asset Selection Sarl The eco business Fund, S.A	European Energy Efficiency Fund The Green for Growth Fund, S.A.

8.3.2 In the five years before the date of this Prospectus, the Directors:

- (A) do not have any convictions in relation to fraudulent offences;
- (B) have not been associated with any bankruptcies, receiverships or liquidations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and
- (C) have not been subject to 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.

8.4 Major Shareholders and Directors' shareholdings

8.4.1 As at the date of this Prospectus, none of the Directors or any person connected with any of the Directors has a shareholding or any other interest in the share capital of the Company. The Directors intend, subject to compliance with legal and regulatory requirements, to subscribe for such number of Ordinary Shares as is set out next to their respective names in paragraph 8.1 above, pursuant to the Initial Issue at the Initial Issue Price. Such applications are expected to be met in full.

8.4.2 The Existing Shareholder holds all voting rights in the Company as at the date of this Prospectus. Pending the allotment of Ordinary Shares pursuant to the Initial Issue, the Company is controlled by the Existing Shareholder.

8.4.3 As at the date of this Prospectus and insofar as is known to the Company, assuming Gross Initial Proceeds of £150 million, no person will, immediately following the Initial Issue, be directly or indirectly interested in three per cent. or more of the Company's share capital. None of the Shareholders has or will have voting rights attached to the Shares held by them which are different from the voting rights attached to any other Shares in the same class in the Company. So far as is known to the Company as at the date of this Prospectus, the Company will not immediately following the Initial Issue be directly or indirectly owned or controlled by any single person or entity and there are no arrangements known to the Company the operation of which may subsequently result in a change of control of the Company.

8.4.4 All Shareholders have the same voting rights in respect of the share capital of the Company.

8.5 Related party transactions

Save as disclosed in paragraph 11 below, the Company has not entered into any related party transaction at any time during the period from incorporation to 19 November 2018 (being the latest practicable date before publication of this Prospectus).

8.6 Other material interests

8.6.1 The Investment Manager, other SDCL Group entities, any of their directors, officers, employees, agents and Affiliates and the Directors, and any person or company with whom they are affiliated or by whom they are employed, may be involved in other financial, investment or other professional activities which may cause conflicts of interest with the Company.

8.6.2 In particular, interested parties may provide services similar to those provided to the Company to other entities and shall not be liable to account for any profit from any such services. For example, the Investment Manager, other SDCL Group entities, any of their directors, officers, employees, agents and Affiliates and the Directors and any person or company with whom they are affiliated or by whom they are employed may (subject in the case of the Investment Manager to the restrictions contained in the Investment Management Agreement) acquire on behalf of a client an investment in which the Company may invest.

9. SHARE OPTIONS AND SHARE SCHEME ARRANGEMENTS

No share or loan capital of the Company is under option or agreed conditionally or unconditionally to be put under option.

10. OTHER INVESTMENT RESTRICTIONS

10.1 The Company will at all times invest and manage its assets with the objective of spreading risk and in accordance with its published investment policy as set out in Part I (Information on the Company) of this Prospectus.

10.2 The Listing Rules currently restrict the Company from investing more than 10 per cent. of its total assets in other listed closed-ended investment companies, save that this investment restriction does not apply to investments in closed-ended investment funds which themselves have published investment policies to invest no more than 15 per cent. of their total assets in other UK listed closed-ended investment companies. As set out in the Company's investment policy in Part I (Information on the Company) of this Prospectus, the Company will not invest in other UK listed closed-ended investment companies.

10.3 The Company intends to conduct its affairs at all times so as to enable it to qualify as an investment trust for the purposes of Chapter 4 of Part 24 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011 (as amended), and its investment activities will therefore be subject to the restrictions set out under "Principal Activities of the Company" in paragraph 2 above.

10.4 In the event of material breach of these investment restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by the Investment Manager via an RIS announcement.

11. MATERIAL CONTRACTS

Save as described below, the Company has not: (i) entered into any material contracts (other than contracts in the ordinary course of business) since its incorporation; or (ii) entered into any contracts that contain provisions under which the Company has any obligation or entitlement that is material to the Company as at the date of this Prospectus.

11.1 Share Issuance Agreement

11.1.1 The Company, the Directors, the Investment Manager and Jefferies have entered into the Share Issuance Agreement dated 22 November 2018, pursuant to which, subject to certain conditions: (i) the Company has appointed Jefferies as sponsor in relation to the Initial Issue and the Share Issuance Programme; and (ii) Jefferies has agreed to use its reasonable endeavours to procure Placees for Ordinary Shares under the Initial Placing at the Initial Issue Price and for Shares under the Subsequent Placings.

11.1.2 The Share Issuance Agreement may be terminated by Jefferies in certain customary circumstances prior to Initial Admission.

11.1.3 The obligation of Jefferies to use its reasonable endeavours to procure subscribers for Shares is conditional upon certain conditions that are customary for agreements of this nature. These conditions include, inter alia: (i) Initial Admission occurring by 8.00 a.m. (London time) on 11 December 2018 (or such other date, not being later than the Long Stop Date, as the Company and Jefferies may agree); (ii) the Gross Initial Proceeds being at least £100 million; and (iii) the Share Issuance Agreement not having been terminated in accordance with its terms.

11.1.4 Jefferies will be entitled to a commission in respect of each Issue. Jefferies will also be entitled to reimbursement of all costs, charges and expenses incurred by Jefferies of, or incidental to, the Share Issuance Programme.

11.1.5 The Company, the Directors and the Investment Manager have given warranties to Jefferies concerning, inter alia, the accuracy of the information contained in this Prospectus. The Company and the Investment Manager have also given indemnities to Jefferies. The warranties and indemnities given by the Company, the Directors and the Investment Manager are standard for an agreement of this nature.

11.1.6 The Share Issuance Agreement is governed by the laws of England and Wales.

11.2 Investment Management Agreement

11.2.1 The Company and the Investment Manager have entered into the Investment Management Agreement dated 22 November 2018, pursuant to which the Investment Manager is appointed to act as investment manager of the Company, with responsibility for the discretionary portfolio management and risk management functions for the Company, and to advise the Company on a day-to-day basis, in accordance with the investment policy of the Company, subject to the overall policies, supervision, review and control of the Board. The Investment Manager is not required to, and generally will not, however, submit individual investment decisions for the approval of the Board.

11.2.2 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, inter alia: (i) hold, invest in, subscribe for, buy or otherwise acquire and to sell or otherwise dispose of investment assets for the account of the Company; (ii) negotiate borrowings; (iii) deal in foreign currencies; and (iv) take such other action as it reasonably considers to be necessary, desirable or incidental to the performance of its obligations under the Investment Management Agreement. The Investment Manager is also required to comply with such regulatory requirements as may apply to it from time to time as the AIFM of the Company.

Fees and expenses

11.2.3 With effect from Initial Admission, the Investment Manager will be entitled to the Investment Management Fee calculated at the rate of:

- (A) 0.9 per cent. per annum of the Adjusted NAV in respect of the Net Asset Value of up to, and including, £750 million; and
- (B) 0.8 per cent. per annum of the Adjusted NAV in respect of the Net Asset Value in excess of £750 million.

The Investment Management Fee is calculated and accrues monthly and shall be invoiced monthly in arrear.

11.2.4 The Investment Manager is entitled to be reimbursed by the Company for certain out of pocket expenses reasonably and properly incurred in respect of the performance of its obligations under the Investment Management Agreement.

Service standard

11.2.5 The Investment Manager has agreed to perform its obligations under the Investment Management Agreement at all times in accordance with the following standard of care:

- (A) with such skill and care as would be reasonably expected of a professional discretionary investment manager of equivalent standing to the 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
- (B) ensuring 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 “**Service Standard**”).

The Investment Manager shall keep the Board informed as to who has responsibilities on a day-to-day basis for the performance of the Investment Manager’s obligations under this Agreement.

Termination

11.2.6 Unless otherwise agreed by the Company and the Investment Manager, the Investment Management Agreement may be terminated by either the Company or the Investment Manager on not less than 12 months’ notice to the other party, such notice not to expire prior to the 4th anniversary of Initial Admission (the “**Initial Term**”).

11.2.7 In addition, the Company may terminate the Investment Management Agreement with immediate effect if:

- (A) the Investment Manager is subject to any of certain insolvency situations;
- (B) the Investment Manager ceases, or takes steps to cease, to carry on its business or substantially the whole of its business, or makes or threatens to make any material alteration to the nature of its business as carried on at the date of the Investment Management Agreement;
- (C) the Investment Manager has committed fraud, wilful default or a breach of its obligations under the Investment Management Agreement (except a breach of the Service Standard) that is material in the context of the Investment Management Agreement 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;
- (D) the Investment Manager has committed a breach of the Service Standard and fails to remedy such breach within 90 days after receiving notice from the Company requiring the same to be remedied;
- (E) the Investment Manager ceases to maintain its permission from the FCA to act as AIFM of the Company, or such permission is suspended;

- (F) the Investment Manager ceases to hold any other authorisation required in order to perform its obligations under the Investment Management Agreement and fails to remedy the situation without any material adverse implications for the Company within such period as the Company may specify and which is reasonable in the circumstances;
- (G) the scope of the Investment Manager's permission from the FCA to act as AIFM of the Company is restricted to the extent that, in the opinion of the Company, acting reasonably, it impairs the Investment Manager's ability to perform its obligations under the Investment Management Agreement;
- (H) the Investment Manager fails to notify the Company of an FCA enquiry or other circumstances in accordance with the Investment Management Agreement;
- (I) the Investment Manager materially breaches certain of its obligations in relation to marketing under the AIFM Directive and fails to remedy such breach within 30 days after receiving notice from the Company requiring the same to be remedied;
- (J) the Investment Manager breaches any provision of the Investment Management Agreement and such breach results in either the listing of the Shares on the Official List or trading of the Shares on the London Stock Exchange being suspended or terminated, or results in the Company losing its status as, or becoming ineligible for approval as, an investment trust pursuant to section 1158 of the Corporation Tax Act 2010; or
- (K) the Company is required by any relevant regulatory authority to terminate the Investment Manager's appointment.

11.2.8 In addition, the Investment Manager may terminate the Investment Management Agreement with immediate effect if 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).

11.2.9 Upon termination of this Agreement by the Company pursuant to paragraph 11.2.7(K) (in circumstances where the Company is required by any relevant regulatory authority to terminate the Investment Manager's appointment for reasons other than malfeasance by the Investment Manager or an SDCL Affiliate), the Investment Manager shall be entitled to receive a one-time termination fee calculated at a rate of:

- (A) 0.9 per cent. per annum of the Adjusted NAV as at the effective date of termination (the "**Termination Date**") in respect of the Net Asset Value of up to, and including, £750 million; and
- (B) 0.8 per cent. per annum of the Adjusted NAV as at the Termination Date in respect of the Net Asset Value in excess of £750 million,

in each case for the period commencing on the Termination Date and expiring on the last day of the Initial Term.

Liability and indemnity

11.2.10 The Investment Manager shall not be liable to the Company for any loss, claim, costs, charges and expenses, liabilities or damages arising out of the proper performance by the Investment Manager, its associates (within the meaning of the FCA Rules), delegates or agents, or the officers, directors or employees of the Investment Manager or its associates, delegates or agents (each, an "**Investment Manager Indemnified Person**") of its obligations under the Investment Management Agreement, unless resulting from the negligence, wilful default, fraud or bad faith of any Investment Manager Indemnified Person or a breach of the Investment Management Agreement or any applicable laws and regulations by any Investment Manager Indemnified Person.

11.2.11 The Company shall indemnify each Investment Manager Indemnified Person against all claims by third parties which may be made against such Investment Manager Indemnified Person in connection with the provision of services under the Investment Management Agreement except to the extent that the claim is due to the negligence,

wilful default, fraud or bad faith of any Investment Manager Indemnified Person or a breach of the Investment Management Agreement or any applicable laws and regulations by any Investment Manager Indemnified Person.

Governing law

11.2.12 The Investment Management Agreement is governed by the laws of England and Wales.

11.3 Depositary Agreement

11.3.1 The Company and the Investment Manager have entered into the Depositary Agreement with Sanne Group Administration Services (UK) Limited dated 22 November 2018, pursuant to which Sanne Group Administration Services (UK) Limited has been appointed as Depositary to the Company.

11.3.2 The Depositary is entitled to receive payment as compensation for the performance of its duties under the Depositary Agreement for all fees as may be agreed upon between the parties from time to time. The Depositary is also entitled to reimbursement of expenses incurred in the performance of its duties under the Depositary Agreement.

11.3.3 Either party may terminate the Depositary Agreement upon at least 60 days' notice to the other parties, provided that the termination of the Depositary's appointment may not take effect until a new depositary has been appointed.

11.3.4 A party may terminate the Depositary Agreement immediately upon notice if at any time another party:

(A) becomes subject to bankruptcy, insolvency or similar procedures;

(B) ceases to be licensed for its activity under the Depositary Agreement or ceases to have approval(s) by applicable governmental or regulatory institutions that are required for its activities; or

(C) materially defaults on its obligations under the Depositary Agreement and such default is not remedied within 30 days upon notice from another party.

11.3.5 The Depositary may terminate the Depositary Agreement upon 30 business days' notice in writing if the Investment Manager fails to provide any information or data concerning the Investment Manager, the Company or its beneficial owners as may be reasonably requested by the Depositary from time to time in order to enable the Depositary to fulfil its obligations under the Depositary Agreement and such default is not remedied within two weeks following notice from the Depositary.

11.3.6 The Investment Manager will indemnify and hold harmless the Depositary and its delegates, employees, officers and directors from any and all taxes, charges, expenses (including reasonable legal fees), assessments, claims or liabilities in connection with the performance of the Depositary Agreement, except: (i) such as may arise from their or their agent's, delegate's or any of their respective employees, officers or directors', wilful default, fraud of or material breach of the Depositary Agreement; (ii) as imposed by mandatory law; and (iii) in respect of something for which the Depositary is otherwise liable under the Depositary Agreement.

11.3.7 The Depositary must not re-use or re-hypothecate any: (i) financial instruments of the Company; or (ii) assets, other than financial instruments or cash, which are held in custody by the Depositary (or a delegate thereof) for the Company.

11.3.8 The Depositary may delegate to third parties any of its functions under the Depositary Agreement, but may not delegate its oversight or cash monitoring functions under articles 21(9) and (7) of the AIFM Directive. The Depositary may delegate to third parties its safe-keeping functions under article 21(8) of the AIFM Directive, provided that the requirements for any such delegation as provided under the AIFM Directive and all applicable English laws, rules and regulations are complied with.

11.3.9 The Depositary Agreement is governed by the laws of England and Wales.

11.4 Company Secretary and Administration Services Agreement

- 11.4.1 The Company and Sanne have entered into the Company Secretary and Administration Services Agreement dated 22 November 2018 pursuant to which the Company has appointed Sanne Group (UK) Limited as Company Secretary and Administrator to the Company.
- 11.4.2 Under the terms of the Company Secretary and Administration Services Agreement, Sanne is entitled to an annual fee of £115,000 (exclusive of any applicable VAT and together with certain variable fees payable for additional services or corporate actions of the Company), in respect of its role as Company Secretary and the Administrator, payable quarterly in equal instalments. If Sanne incurs expenses and disbursements, provided that these are reasonably incurred in relation to the provision of the services under the Company Secretary and Administration Services Agreement, Sanne shall invoice the Company for such amounts and the Company shall pay the invoice within 30 days of the date of invoice.
- 11.4.3 Either party may terminate the Company Secretary and Administration Services Agreement:
- (A) by service of 3 months' written notice;
 - (B) upon service of written notice if the other party commits a material breach of its obligations under the Company Secretary and Administration Services Agreement (including any payment default) which, in the case of material breach by the Company, the Company has not been remedied within 10 days of the notice to the Company requiring the material breach to be remedied;
 - (C) upon service of written notice if the other party (or its officers or employees) has been convicted of any criminal offence involving dishonesty or is the subject of any criminal, judicial or regulatory investigation;
 - (D) upon service of written notice if a resolution is passed or an order made for the winding up, dissolution or administration of the other party, or if the other party is declared insolvent or if an administrator, administrative receiver, manager or provisional liquidator (or similar officer to any of the foregoing in the relevant jurisdiction) is appointed over the whole of or a substantial part of the other party or its assets or undertakings; or
 - (E) upon service of written notice if either party ceases to hold any permits or authorisations necessary to perform their obligations under the Company Secretary and Administration Services Agreement.
- 11.4.4 The Company Secretary and Administration Services Agreement limits Sanne's liability thereunder to ten times the annual amount of fees paid in the year in which the cause of action occurs up to a maximum of £3,000,000.
- 11.4.5 The Company will indemnify and hold harmless Sanne, its affiliates, their directors, officers, employees and agents ("**Sanne Indemnified Party**") from and against any and all claims, losses, liabilities, damages, costs, expenses (including reasonable legal and internal costs) incurred in connection with the performance of the services under the Company Secretary and Administration Agreement, save where due to the gross negligence, fraud, or wilful default of a Sanne Indemnified Party.
- 11.4.6 The Company Secretary and Administration Services Agreement is governed by the laws of England and Wales.
- 11.4.7 Sanne has also entered into an administration agreement with SEEIT Holdco, a wholly owned subsidiary of the Company (the "**Subsidiary Administration Agreement**"). The Subsidiary Administration Agreement is on materially identical terms to the Company Secretary and Administration Services Agreement, save that the fees payable by SEEIT HoldCo to Sanne in respect of Subsidiary Administration Agreement are: (i) as an ongoing administration and accounting fee, £8,000 per annum; and (ii) in respect of each active Project SPV in respect of which Sanne provides accounting and administration services, £4,500 per year. In addition with certain variable fees are payable by SEEIT HoldCo for additional services or corporate actions of the SEEIT HoldCo or the relevant Project SPV.

11.5 Registrar Services Agreement

11.5.1 The Company and Computershare Investor Services PLC have entered into the Registrar Services Agreement dated 22 November 2018, pursuant to which Computershare Investor Services PLC has been appointed as Registrar to the Company.

Fees and expenses

11.5.2 Under the terms of the Registrar Services Agreement, the Registrar is entitled to receive a monthly maintenance fee per Shareholder account, subject to a minimum fee of £4,800. The fees are subject to increase in line with the CPI. The Registrar is also entitled to levy certain charges on a per item basis, and to reimbursement of all reasonable out of pocket expenses incurred in connection with the provision of services under the Registrar Services Agreement.

Termination

11.5.3 Either party may terminate the Registrar Services Agreement by giving not less than six months' notice to the other party.

11.5.4 Further, either party may terminate the Registrar Services Agreement immediately upon notice if the other party:

- (A) is in persistent or material breach of any term of the Registrar Services Agreement and has not remedied such breach (if capable of being remedied) within 21 days of receiving notice of the breach and a request for remedy;
- (B) is subject to any of certain insolvency situations; or
- (C) ceases to have the appropriate authorisations which permit it lawfully to perform its obligations under the Registrar Services Agreement at any time.

Liability and indemnity

11.5.5 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 liability under the Registrar Agreement is subject to a cap.

Governing law

11.5.6 The Registrar Services Agreement is governed by the laws of England and Wales.

11.6 Receiving Agent Services Agreement

11.6.1 The Company and Computershare Investor Services plc have entered into the Receiving Agent Services Agreement dated 22 November 2018, pursuant to which Computershare Investor Services PLC has been appointed as Receiving Agent to the Company.

Fees and expenses

11.6.2 Under the terms of the Receiving Agent Services Agreement, the Receiving Agent is entitled to a project fee for services provided in respect of the Initial Issue. In the event that the transaction is cancelled after the Initial Issue opens but before the Ordinary Shares are admitted to the premium listing category of the Official List and to trading on the premium segment of the Main Market, the Receiving Agent is entitled to a minimum fee of £2,000.

11.6.3 The Receiving Agent is also entitled to reimbursement at cost of all reasonable properly incurred out of pocket expenses incurred in connection with the provision of services under the Receiving Agent Services Agreement.

Liability and indemnity

11.6.4 The Company has given certain market standard indemnities in favour of the Receiving Agent in respect of the Registrar's potential losses in carrying on its responsibilities under the Registrar Agreement. The Receiving Agent's liability under the Receiving Agent Services Agreement is subject to a cap.

Governing law

11.6.5 The Receiving Agent Services Agreement is governed by the laws of England and Wales.

11.7 Seed Portfolio Acquisition

11.7.1 Acquisition Agreement

- (A) In connection with the acquisition of the Seed Portfolio (the “**Acquisition**”), the Company’s wholly owned subsidiary, SEEIT HoldCo, the general partner of the Seller Funds and the Seller Funds have entered into an acquisition agreement dated 21 November 2018 (the “**Acquisition Agreement**”), pursuant to which, subject to certain conditions, the SEEIT HoldCo has agreed to purchase the Seed Portfolio for the purchase price.
- (B) The acquisition of the Seed Portfolio is conditional upon certain conditions that are customary for agreements of this nature. These conditions include, inter alia: (i) Initial Admission occurring by 8.00 a.m. (London time) on 11 December 2018 (or such other date, not being later than the Long Stop Date, as the Company may agree); (ii) the Net Initial Proceeds being at least £98 million; (iii) any approvals of Counterparties to the relevant Seed Projects and Investment Opportunities identified as part of the due diligence undertaken in connection with the Acquisition; and (iii) the Acquisition Agreement not having been terminated in accordance with its terms.
- (C) Upon satisfaction of conditions contained in the Acquisition Agreement, the SEEIT HoldCo will pay the Seller Funds the purchase price. The Acquisition Agreement provides for there to be a completion accounts process, pursuant to which the purchase price will be adjusted for certain financial items as at completion of the transaction which is expected to be the date of Initial Admission (subject to satisfaction of any other conditions precedent).
- (D) The SEEIT HoldCo and the Seller Funds have given warranties to each other concerning, inter alia, capacity and authority to enter into the Acquisition Agreement. The SEEIT HoldCo and the Seller Funds will also enter into a Tax Deed. Warranties relating to the Seed Portfolio are being provided by the Seller Funds Manager pursuant to the Warranty Deed.
- (E) The Seller Funds have limited their liability in respect of the Acquisition to amounts received by the Seller Funds from the Buyer (being the price for the Seed Portfolio, including amounts to repay shareholder loans at completion).
- (F) The Acquisition Agreement is governed by the laws of England and Wales.

11.7.2 Warranty Deed and Tax Deed

- (A) The SEEIT HoldCo and the Seller Funds Manager have entered into a warranty deed dated 21 November 2018 (the “**Warranty Deed**”), pursuant to which, subject to certain conditions: (i) the Investment Manager has given warranties to the SEEIT HoldCo relating to the Seed Portfolio concerning the Energy Efficiency Equipment, the corporate structure of the Project SPVs used in connection with each Seed Project and Investment Opportunity, compliance of the Seed Projects and Investment Opportunities with any legal, regulatory and tax obligations, any specific attributes or characteristics relating to the Seed Projects and Investment Opportunities which have been uncovered pursuant to the due diligence process underpinning the Acquisition, and any warranties and indemnities that are standard for an agreement of this nature.
- (B) The SEEIT HoldCo and the general partner of the Seller Funds (on behalf of the Seller Funds) have entered into a tax deed (the “**Tax Deed**”) pursuant to which, subject to a certain condition, the Seller Funds have given certain standard tax covenants.

- (C) the Seller Funds Manager and the general partner of the Seller Funds have each limited its liability in respect of the Warranty Deed and the Tax Deed in each case to £1 (save in respect of any warranties as to capacity and authority). SEIT HoldCo has procured a W&I Insurance Policy to cover certain of these liabilities up to a total sum of £17 million.
- (D) The Warranty Deed and the Tax Deed are governed by the laws of England and Wales.

12. 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 Prospectus, which may have, or have had in the recent past, a significant effect on the Company or its group's financial position or profitability.

13. SIGNIFICANT CHANGE

As at the date of this Prospectus, there has been no significant change in the financial or trading position of the Company since its incorporation.

14. WORKING CAPITAL

The Company is of the opinion that, taking into account the Minimum Net Initial Proceeds, the working capital available to it is sufficient for the present requirements of the Company, that is for at least 12 months from the date of this Prospectus.

15. CAPITALISATION AND INDEBTEDNESS

As at the date of this Prospectus, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness and the Company's issued share capital consists of 1 Ordinary Share and 5,000,000 Redeemable Preference Shares with no legal reserve or other reserves.

16. THIRD PARTY INFORMATION AND CONSENTS

- 16.1 Where third party information has been referenced in this Prospectus, the source of that third party information has been disclosed. Where information contained in this Prospectus has been so sourced, the Company confirms that such information 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.
- 16.2 Jefferies has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which it appears.
- 16.3 The Investment Manager has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its names in the form and context in which they appear. The Investment Manager has given and not withdrawn its written consent to the inclusion in this Prospectus of the information and opinions contained in Part II (Industry Overview, Investment Opportunity and Seed Portfolio) and Part IV (Directors, Management and Administration) of this Prospectus and any other information or opinion related to, or attributed to, it or other SDCL Group entities and the references to them in the form and context in which they appear, and have authorised such information and opinions.

17. GENERAL

- 17.1 The Company is not dependent on patents or licences, or new manufacturing processes which are material to the Company's business or profitability.
- 17.2 In accordance with the Prospectus Rules, the Company will file with the FCA, and make available for inspection by the public, details of the number of Shares issued under this Prospectus. The Company will also notify the issue of the Shares through a Regulatory Information Service.

18. ADDITIONAL AIFM DIRECTIVE DISCLOSURES

18.1 AIFM Directive leverage limits

For the purposes of the AIFM Directive, leverage is required to be calculated using two prescribed methods: (i) the gross method; and (ii) the commitment method; and expressed as the ratio between a fund's total exposure and its Net Asset Value.

As measured using the gross method, the level of leverage to be incurred by the Investment Manager on behalf of the Company is not to exceed 200 per cent. of NAV (which is the equivalent of a ratio of 2:1).

As measured using the commitment method, the level of leverage to be incurred by the Investment Manager on behalf of the Company is not to exceed 200 per cent. of NAV (which is the equivalent of a ratio of 2:1).

18.2 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 for the Company 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.

18.3 Fair treatment of Shareholders

Applications will be made for the Shares to be admitted to the premium listing category of the Official List and to be admitted to trading on the premium segment of the Main Market. It is not intended that any class of Shares in the Company be admitted to listing in any other jurisdiction. As a company with Shares listed on the UK Listing Authority's Official List, the Company will be required to treat all Shareholders of a given class equally.

18.4 Investors' rights

The Company is reliant on the performance of third party service providers, including the Investment Manager, Jefferies (as the Company's sponsor), the Depositary, the Company Secretary, the Administrator, the Receiving Agent 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.

In the event that 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 FSMA (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 FSMA, or in tort, against any service provider in connection with their investment in the Company, should consult their legal adviser.

18.5 Professional liability risks

The Investment Manager is authorised under the AIFM Directive and is therefore subject to the detailed requirements set out therein in relation to liability risks arising from professional negligence. The Investment Manager will maintain such additional own funds as are sufficient at all times to satisfy the requirements under the AIFM Directive.

19. UK RULES ON MARKETING OF POOLED INVESTMENTS

The FCA Rules contains rules restricting the marketing within the UK of certain pooled investments or 'funds', referred to in the FCA Rules as non-mainstream pooled investments ("NMPis"), to 'ordinary retail clients'. These rules took effect on 1 January 2014. These rules currently do not apply to investment trusts.

20. ELIGIBILITY FOR INVESTMENT BY UCITS SCHEMES OR NURS

The Company has been advised that the Shares should be "transferable securities" and, therefore, should be eligible for investment by UCITS schemes or NURS on the basis that: (i) the Company is a closed-ended investment company incorporated in England and Wales as a public limited company; (ii) the Shares are proposed to be listed on the premium listing category of the Official List and to be admitted to trading on the premium segment of the Main Market; (iii) the Shares have equal voting rights; and (iv) the Investment Manager is authorised and regulated as an AIFM by the FCA and, as such, is subject to its rules in the conduct of its investment business. However, the investment manager of the relevant UCITS schemes or NURS should satisfy itself that the Shares are eligible for investment by the relevant UCITS schemes or NURS, including the factors relating to the relevant UCITS schemes or NURS itself, specified in the Collective Investment Scheme Sourcebook of the FCA Rules.

21. DOCUMENTS ON DISPLAY

21.1 The following documents will be available for inspection during usual business hours on any day (Saturdays, Sundays and public holidays excepted) at the offices of Herbert Smith Freehills LLP, Exchange House, Primrose Street, London, EC2A 2EG until the date of Initial Admission:

21.1.1 this Prospectus; and

21.1.2 the Articles.

21.2 In addition, copies of this Prospectus are available, for inspection only, from the National Storage Mechanism (<http://www.morningstar.co.uk/uk/NSM>) and the Company's website (www.sdcleeit.com).

21.3 Further copies of this Prospectus and the constitutional documents of the Company may be obtained, free of charge, from the registered office of the Company as detailed in paragraph 1.4 above and the principal place of business of the Investment Manager as detailed in paragraph 3.1 above.

PART VIII – TERMS AND CONDITIONS OF ANY PLACING

1. INTRODUCTION

- 1.1 Each person who is invited to and who chooses to participate in the Initial Placing and/or a Subsequent Placing (including individuals, funds or others) (a “Placee”) confirms its agreement (whether orally or in writing) to Jefferies to subscribe for (a) Ordinary Shares under the Initial Placing and/or (b) Ordinary Shares and/or C Shares under the relevant Subsequent Placing and that it will be bound by these terms and conditions and will be deemed to have accepted them.
- 1.2 The Company and/or Jefferies 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/or may require any such Placee to execute a separate placing letter.

2. AGREEMENT TO SUBSCRIBE FOR SHARES

- 2.1 Conditional on:
 - 2.1.1 in the case of the Initial Placing, Initial Admission occurring and becoming effective by not later than 8.00 a.m. (London time) on 11 December 2018 (or such later date as the Company, the Investment Manager and Jefferies may agree) and, in the case of any Subsequent Placing, the relevant Subsequent Admission occurring and becoming effective by 8.00 a.m. (London time) on such dates as may be agreed between the Company, the Investment Manager and Jefferies prior to the closing of each Subsequent Placing;
 - 2.1.2 in the case of the Initial Placing, the Share Issuance Agreement not having been terminated prior to the date of Initial Admission and, in the case of any Subsequent Placing, the Share Issuance Agreement not having been terminated prior to the date of the relevant Subsequent Admission;
 - 2.1.3 in the case of the Initial Placing, Jefferies confirming to the Placees their allocation of Ordinary Shares and, in the case of a Subsequent Placing, Jefferies confirming to the Placees their allocation of Ordinary Shares and/or C Shares (as the case may be); and
 - 2.1.4 in the case of the Initial Placing, the Minimum Gross Initial Proceeds being raised, a Placee agrees to become a member of the Company and agrees to subscribe for those Ordinary Shares allocated to it by Jefferies, in the case of the Initial Placing, at the Initial Issue Price or, in the case of a Subsequent Placing, those Ordinary Shares and/or C Shares allocated to it by Jefferies at the applicable Share Issuance Price. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

3. PAYMENT FOR SHARES

- 3.1 Ordinary Shares are available under the Initial Placing at an Initial Issue Price of £1.00 per Ordinary Share, and Ordinary Shares and/or C Shares will be available under the Share Issuance Programme at the relevant Share Issuance Price.
- 3.2 Participants in the Initial Issue will only be entitled to subscribe for Ordinary Shares in Sterling.
- 3.3 Prospective investors will only be able to subscribe for Ordinary Shares and/or C Shares issued under the Share Issuance Programme in Sterling. The relevant Share Issuance Price will be announced in Sterling, through a Regulatory Information Service as soon as practicable in conjunction with each Subsequent Placing. Fractions of Shares will not be issued.
- 3.4 Each Placee must pay the applicable price for the Shares issued to the Placee in the manner and by the time directed by Jefferies. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee’s application for the Shares shall be rejected. Jefferies may sell all or any of the Shares allocated to the Placee on such Placee’s behalf and retain from the proceeds, for Jefferies’s own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for

any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such Shares on such Placee's behalf.

4. REPRESENTATIONS AND WARRANTIES

By agreeing to subscribe for: (i) Ordinary Shares under the Initial Placing; and (ii) Ordinary Shares and/or C Shares under any Subsequent Placing, each Placee which enters into a commitment to subscribe for such Shares will (for itself and any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be deemed to agree, represent and warrant to each of the Company, the Investment Manager and Jefferies (and, in respect of any data protections warranties, to the Administrator and the Registrar) that:

- (a) in agreeing to subscribe for (i) the Ordinary Shares under the Initial Placing and/or (ii) Ordinary Shares and/or C Shares under any Subsequent Placing, it is relying solely on this Prospectus and any supplementary prospectus published by the Company prior to Admission and (in the case of any Subsequent Placing) this Prospectus and any supplementary prospectus published prior to the relevant Subsequent Admission, and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the Initial Issue, any Subsequent Placing and/or the Share Issuance Programme. It agrees that none of the Company, the Investment Manager or Jefferies, nor any of their respective officers, agents or employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
- (b) the content of this Prospectus and any supplementary prospectus published by the Company is exclusively the responsibility of the Company and its Board (and other persons that accept liability for the whole or part of this Prospectus and any such supplementary prospectus) and apart from the liabilities and responsibilities, if any, which may be imposed on Jefferies under any regulatory regime, none of Jefferies or any person acting on its behalf nor any of its respective affiliates makes any representation, express or implied, or accepts any responsibility whatsoever for the contents of this Prospectus or any supplementary prospectus or for any other statement made or purported to be made by them or on its or their behalf in connection with the Company, the Shares, the Initial Issue, any Subsequent Placing or the Share Issuance Programme;
- (c) if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for (i) Ordinary Shares under the Initial Placing and/or (ii) Ordinary Shares and/or C Shares under any Subsequent Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company, the Investment Manager or Jefferies or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Initial Placing and/or any Subsequent Placing;
- (d) it acknowledges the representations, warranties, undertakings, agreements and acknowledgements set out in this Prospectus, including those set out in the sections entitled "Overseas Persons and Restricted Territories" in Part V (The Initial Issue and the Share Issuance Programme) of this Prospectus;
- (e) it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Shares and it is not acting on a non-discretionary basis for any such person;
- (f) if it is a natural person, such person is not under the age of majority (18 years of age in the United Kingdom) on the date of its agreement to subscribe for: (i) Ordinary Shares under the Initial Placing; or (ii) Ordinary Shares and/or C Shares under any Subsequent Placing and will not be any such person on the date of acceptance of any such agreement to subscribe for: (x) Ordinary Shares under the Initial Placing; or (y) Ordinary Shares and/or C Shares under any Subsequent Placing;

- (g) it agrees that, having had the opportunity to read this Prospectus, it shall be deemed to have had notice of all information and representations contained in this Prospectus, that it is acquiring Shares solely on the basis of this Prospectus and any supplementary prospectus published by the Company subsequent to the date of this Prospectus and prior to Admission and no other information, and that in accepting a participation in the relevant Placing it has had access to all information it believes necessary or appropriate in connection with its decision to subscribe for the Shares.
- (h) it acknowledges that no person is authorised in connection with the Initial Placing and/or any Subsequent Placing to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus published by the Company prior to Initial Admission or any Subsequent Admission (as the case may be) and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the Investment Manager or Jefferies;
- (i) 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;
- (j) 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 Ordinary Shares and/or C Shares (as the case may be) may be lawfully offered under that other jurisdiction's laws and regulations;
- (k) if it is a professional investor (as such term is given meaning in the 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) the United Kingdom; or (c) a country in the EEA in which the Investment Manager has confirmed that it has made the relevant notification or applications in that EEA country and are lawfully able to market Shares into that EEA country;
- (l) if it is a resident in the EEA (other than the United Kingdom), it is a qualified investor within the meaning of the law in the Relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of the Prospectus Directive, or is a person to whom the Shares may lawfully be marketed under the AIFMD or under the applicable implementing legislation (if any) of that Relevant Member State;
- (m) in the case of any Shares acquired by an investor as a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive: (i) such Shares acquired by it in the Initial Placing and/or Subsequent Placing (as the case may be) have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of Jefferies has been given to the offer or resale; or (ii) where the Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the Prospectus Directive as having been made to such persons;
- (n) if it is outside the United Kingdom, neither this Prospectus nor any other offering, marketing or other material in connection with the Initial Placing, any Subsequent Placing and/or the Share Issuance Programme constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Shares 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;
- (o) it is either (x) located outside the United States, it is not a US Person, it is acquiring the Shares in an "offshore transaction" meeting the requirements of Regulation S, and it is not acquiring the Shares for the account or benefit of a US Person or (y) it is both a QIB and a QP who has delivered to the Company a signed US representation letter in form and substance acceptable to the Company who is acquiring the Shares pursuant to an exemption from the registration requirements of the Securities Act.

- (p) if in the future it decides to offer, sell, transfer, assign, pledge or otherwise dispose of the Shares or any beneficial interest therein, it will do so only (i) in an “offshore transaction” complying with the provisions of Regulation S to a person outside the United States and not known by the transferor to be a US 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;
- (q) it acknowledges 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 US federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under the US securities laws to transfer such Shares or interests in accordance with the Articles (as amended from time to time);
- (r) it acknowledges that the Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be cleared or approved in respect of any of the Shares under the securities laws of any Restricted Territory and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, into or within any Restricted Territory or in any country or jurisdiction where any action for that purpose is required;
- (s) if it is a pension fund or investment company, its acquisition of the Shares is in full compliance with applicable laws and regulations;
- (t) it acknowledges that none of Jefferies or any of its respective 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 Issue or the Share Issuance Programme or providing any advice in relation to the Initial Issue or the Share Issuance Programme, and its participation in the Initial Placing and/or any Subsequent Placing is on the basis that it is not and will not be a client of Jefferies or any of its respective affiliates and that none of Jefferies or any of its respective affiliates have any duties or responsibilities to it for providing protection afforded to their respective clients or for providing advice in relation to the Initial Issue or the Share Issuance Programme nor in respect of any representations, warranties, undertaking or indemnities contained in these terms;
- (u) 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 Prospectus and any supplementary prospectus published by the Company prior to Initial Admission or any Subsequent Admission (as the case may be); and (iii) to receive on behalf of each such account any documentation relating to the Initial Placing and/or any Subsequent Placing in the form provided by the Company or Jefferies. It agrees that the provision of this paragraph shall survive any resale of the Shares by or on behalf of any such account;
- (v) it irrevocably appoints any Director and any director of Jefferies 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 and/or any Subsequent Placing, in the event of its own failure to do so;
- (w) it accepts that if the Initial Placing and/or any Subsequent Placing does not proceed or the conditions to the Share Issuance Agreement are not satisfied or the Shares for which valid applications are received and accepted are not admitted to trading on the premium segment of the Main Market for any reason whatsoever then none of the Company, the Investment Manager or Jefferies or any of their respective affiliates, 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;

- (x) it and each person or body (including, without limitation, any local authority or the managers of any pension fund) on whose behalf it accepts Shares pursuant to the Initial Placing and/or any Subsequent Placing or to whom it allocates such Shares have the capacity and authority to enter into and to perform their obligations as a Placee of the Shares and will honour those obligations;
- (y) as far as it is aware, save as otherwise disclosed in this Prospectus, it is not acting in concert (within the meaning given in the Takeover Code) with any other person in relation to the Company;
- (z) it acknowledges that the Initial Issue will not proceed if the Minimum Gross Initial Proceeds are not raised and that in such circumstances, any monies received in respect of the Initial Issue will be returned to applicants without interest and at their own risk. Ordinary Shares subscribed for pursuant to the Initial Issue may be allotted if the Minimum Gross Initial Proceeds are raised and the offer conditions are satisfied;
- (aa) it acknowledges that it has been notified of the information in respect of the use of its personal data by the Company set out in this Prospectus;
- (bb) it has complied and will comply with all applicable provisions of the Criminal Justice Act 1993 and the Market Abuse Regulation in force in the United Kingdom (or equivalent legislation in any applicable jurisdiction) with respect to anything done by it in relation to the Initial Placing, any Subsequent Placing and/or the Shares;
- (cc) it will (or will procure that its nominee will), if applicable, make notification to the Company of the interest in its Shares in accordance with Rule 5 of the Disclosure Guidance and Transparency Rules as they apply to the Company;
- (dd) (1) it has complied in all material aspects with its data controller obligations under the DP Act and GDPR, and in particular, it has notified any data subject of the Purposes (as defined below) for which personal data will be used and by which parties it will be used and it has provided a copy of the Privacy Notice to such relevant data subjects; and (2) where consent is legally competent and/or required under the DP Act and GDPR, the investor has obtained the consent of any data subject to the Company, the Administrator 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);
- (ee) in connection with its participation in the Initial Placing and any Subsequent Placing it has observed, has complied with and will comply with all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and countering terrorist financing and that its application is only made on the basis that it accepts full responsibility for any requirement to identify and 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 (2015/849 of the European Parliament and of the EC Council of 20 May 2015 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing) (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 county in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;
- (ff) due to anti-money laundering and the countering of terrorist financing requirements, Jefferies and/or the Company may require proof of identity of a Placee and related parties 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 Placee to produce any information required for verification purposes Jefferies and/or the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Jefferies and/or the Company against any liability, loss or cost ensuing due to the failure to process this application, if such information as has been required has not been provided by it or has not been provided on a timely basis;

- (gg) Jefferies and the Company (and any agent on their behalf) are entitled to exercise any of their rights under the Share Issuance Agreement or any other right in their absolute discretion without any liability whatsoever to them (or any agent acting on their behalf);
- (hh) the representations, undertakings and warranties contained in this Prospectus are irrevocable. It acknowledges that Jefferies, 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 for Shares are no longer accurate, it shall promptly notify Jefferies and the Company;
- (ii) where it or any person acting on behalf of it is dealing with Jefferies, any money held in an account with Jefferies 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 Jefferies to segregate such money, as that money will be held by Jefferies under a banking relationship and not as trustee;
- (jj) any of its clients, whether or not identified to Jefferies, will remain its sole responsibility and will not become clients of Jefferies for the purposes of the rules of the FCA or for the purposes of any statutory or regulatory provision;
- (kk) it has not and will not offer or sell any Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 102B of FSMA;
- (ll) it is an “eligible counterparty” within the meaning of Chapter 3 of the FCA’s Conduct of Business Sourcebook and it is subscribing for or purchasing the Shares for investment only and not for resale or distribution;
- (mm) it accepts that the allocation of Shares shall be determined by the Company (in consultation with Jefferies and the Investment Manager) in its absolute discretion and that the Company may scale down any Initial Placing or Subsequent Placing commitments for this purpose on such basis as they may determine;
- (nn) 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 Subsequent Placing in question; and
- (oo) if it is acting as a “distributor” (for the purposes of the MiFID II Product Governance Requirements):
 - (i) it acknowledges that the Target Market Assessment undertaken by the Investment Manager and Jefferies 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;
 - (ii) notwithstanding any Target Market Assessment undertaken by the Investment Manager and Jefferies, it confirms that it has satisfied itself as to the appropriate knowledge, experience, financial situation, risk tolerance and objectives and needs of the investors to whom it plans to distribute the Shares and that it has considered the compatibility of the risk/reward profile of such Shares with the end target market.

5. SUPPLY AND DISCLOSURE OF INFORMATION

If Jefferies, the Company, the Investment Manager, the Registrar or any of their agents request any information in connection with a Placee’s agreement to subscribe for Shares under the Initial Placing or any Subsequent Placing and/or or to comply with any relevant legislation, such Placee must promptly disclose it to them.

6. DATA PROTECTION

6.1 Each prospective investor acknowledges and agrees that it has read the Privacy Notice.

- 6.2 For the purposes of this section, the Privacy Notice and other sections of this document, “data controller”, “data processor”, “data subject”, “personal data”, “processing”, “sensitive personal data” and “special category data” shall have the meanings attributed to them in the DP Act and GDPR and the term “process” shall be construed accordingly.
- 6.3 Information provided by it to the Company or the Registrar will be stored both on the Company Secretary’s and the Registrar’s computer system and manually. It acknowledges and agrees that for the purposes of the DP Act and GDPR the Company and the Registrar are each required to specify the purposes for which they will hold personal data.
- 6.4 Each of the Company and its service providers shall:
 - 6.4.1 be responsible for and control any personal data which it processes in relation to investors or arising out of the matters described in this document;
 - 6.4.2 comply with the DP Act and GDPR and any other data protection legislation applicable to the collection and processing of the personal data; and
 - 6.4.3 take appropriate technical and organisational measures against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, the personal data.
- 6.5 Where personal data is shared by the Placee with the Company or its agents pursuant to this document, the Placee shall ensure that there is no prohibition or restriction which would:
 - 6.5.1 prevent or restrict it from disclosing or transferring the personal data to the relevant recipient;
 - 6.5.2 prevent or restrict the Company or its agents from disclosing or transferring the personal data to relevant third parties, and any of its (or their) employees, agents, delegates and subcontractors (including to jurisdictions outside of the EEA and including the United States), in order to provide the services or services ancillary thereto; or
 - 6.5.3 prevent or restrict the Company and any of its (or their), employees, agents, delegates and subcontractors, from processing the personal data as specified in the Privacy Notice and/or in this document.
- 6.6 If the Placee passes personal data of any of its or its Affiliates’ employees, representatives, beneficial owners, agents and subcontractors to the Company or its agents, the Placee warrants that it has provided adequate notice to such employees, representatives, beneficial owners, agents and subcontractors including the detail set out in this paragraph 6 and the Privacy Notice and as required by the DP Act and GDPR relating to the processing by the Company or its agents as applicable of such personal data and to the transfer of such personal data outside the EEA.
- 6.7 If the Placee passes personal data of any of its shareholders, investors or clients to the Company, the Placee warrants that it will provide the Privacy Notice or equivalent wording to such shareholders, investors or clients.
- 6.8 The investor will also ensure that it has obtained any necessary consents from any of its or its Affiliates’, representatives, employees, beneficial owners, agents or subcontractors in order for the Receiving Agent to carry out AML Checks (as defined in the Privacy Notice).
- 6.9 In providing the Company, the Registrar and Jefferies with information each Placee hereby represents and warrants to the Company, the Registrar and Jefferies that it has obtained any necessary consents of any data subject whose data it has provided to the Company and the Registrar and their respective associates holding and using their personal data as set out in the Privacy Notice (including, where required, the explicit consent of the data subjects for the processing of any sensitive personal data as set out in the Privacy Notice) and will make the Privacy Notice, for which the Company and the Registrar will process the data, available to all data subjects whose personal data may be shared by it for this purpose.
- 6.10 The Company and the Registrar are each data controllers for the purpose of the DP Act and GDPR and the parties all agree and acknowledge that none of the Company or the Registrar is or shall be a data processor for any of the others or a joint data controller with any of the others and they will each comply with their obligations under the DP Act and GDPR and the

Placee will do nothing that puts the Company or the Registrar in breach of their respective obligations. The Company Secretary is a data processor for the purpose of the DP Act and GDPR and the parties all agree and acknowledge this.

7. MISCELLANEOUS

- 7.1 The rights and remedies of Jefferies, the Company and the Investment Manager 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.
- 7.2 On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Initial Placing or any Subsequent Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.
- 7.3 Each Placee agrees to be bound by the Articles (as amended from time to time) once the Shares which the Placee has agreed to subscribe for pursuant to the Initial Placing and/or any Subsequent Placing have been acquired by the Placee. The contract to subscribe for (a) Ordinary Shares under the Initial Placing or (b) Ordinary Shares and/or C Shares under the Share Issuance Programme, and the appointments and authorities mentioned in this Prospectus will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Jefferies, 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 a Placee in any other jurisdiction.
- 7.4 In the case of a joint agreement to subscribe for (a) Ordinary Shares under the Initial Placing or (b) Ordinary Shares and/or C Shares under any Subsequent Placing, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.
- 7.5 Jefferies and the Company expressly reserve the right to modify the Initial Placing and/or any Subsequent Placing (including, without limitation, the timetable and settlement) at any time before allocations are determined.
- 7.6 The Initial Placing and each Subsequent Placing are each subject to the satisfaction of the conditions contained in the Share Issuance Agreement (which include but are not limited to those set out in paragraphs 2 and 3 of Part V (The Initial Issue and the Share Issuance Programme) of this Prospectus), and such agreement not having been terminated. Jefferies has the right to waive or not to waive any such conditions (save for Initial Admission) or terms and shall exercise that right without recourse or reference to Placees. Further details of the terms of the Share Issuance Agreement are contained in paragraph 11.1 of Part VII (Additional Information on the Company) of this Prospectus.

PART IX – TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER

The Offer is only being made in the United Kingdom but, subject to applicable law, the Company may also allot Ordinary Shares on a private placement basis to applicants in other jurisdictions. If you are outside the United Kingdom, please see paragraph 9 of this Part IX (Terms and Conditions of Application under the Offer) of this Prospectus for further information.

1. Introduction

- 1.1 If you apply for Ordinary Shares under the Offer, you will be agreeing with the Company, the Registrar and the Receiving Agent to the terms and conditions of application set out below. Potential investors should note the section entitled “Notes on how to complete the Application Form for the Offer” set out at the back of Appendix 1 to this Prospectus.
- 1.2 The Application Form may also be used to subscribe for Ordinary Shares on such other terms and conditions as may be agreed in writing between the applicant and the Company.

2. Offer to Subscribe for Ordinary Shares

- 2.1 Applications must be made on the Application Form attached at Appendix 1 to this Prospectus or as may be otherwise published by the Company. Any application may be rejected in whole or in part at the sole discretion of the Company.
- 2.2 By completing and delivering an Application Form, you, as the applicant, and, if you sign the Application Form on behalf of another person or a corporation, that person or corporation:
 - (a) offer to subscribe for such number of Ordinary Shares at the Issue Price as may be purchased by the subscription amount specified in Box 1 on your Application Form (being a minimum of £1,000, or such smaller number for which such application is accepted, and thereafter in multiples of £100) on the terms, and subject to the conditions, set out in this Prospectus, including these Terms and Conditions of Application under the Offer, and the Articles of Association (as amended from time to time);
 - (b) agree that in respect of any Ordinary Shares for which you wish to subscribe under the Offer, you will submit payment in Sterling;
 - (c) agree that, in consideration of the Company agreeing that it will not, prior to the date of Initial Admission, offer for subscription any Ordinary Shares to any person other than by means of the procedures referred to in this Prospectus, your application may not be revoked (subject to any legal right to withdraw your application which arises as a result of any supplementary prospectus being published by the Company subsequent to the date of the Offer and prior to Initial Admission) and that this section shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to or, in the case of delivery by hand, on receipt by the Receiving Agent of your Application Form;
 - (d) undertake to pay the amount specified in Box 1 (being the Initial Issue Price multiplied by the number of Ordinary Shares applied for) 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 in certificated form or be entitled to commence dealing in the Ordinary Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such Ordinary Shares unless and until you make payment in cleared funds for such Ordinary Shares and such payment is accepted by the Receiving Agent (which acceptance shall not constitute an acceptance of your application under the Offer and shall be in its absolute discretion and on the basis that you indemnify the Company, the Receiving Agent, Jefferies and their respective affiliates against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) avoid the agreement to allot the Ordinary Shares and may allot them to some other party, in which case you will not be entitled to any refund or payment in respect thereof (other than the refund by way of a cheque, in your favour, at your risk, for an amount equal to the proceeds of the remittance which accompanied your Application Form, without interest);

- (e) agree that where on your Application Form a request is made for Ordinary Shares to be deposited into a CREST Account: (i) the Receiving Agent may in its absolute discretion amend the Application Form so that such Ordinary Shares may be issued in certificated form registered in the name(s) of the applicant(s) specified in your Application Form (and recognise that the Receiving Agent will so amend the form if there is any delay in satisfying the identity of the applicant or the owner of the CREST Account or in receiving your remittance in cleared funds); and (ii) the Receiving Agent, the Company or Jefferies 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 in your Application Form;
- (f) agree, in respect of applications for Ordinary Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph (e) above to issue Ordinary Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled or pursuant to paragraph (e) above (and any monies returnable to you) may be retained by the Receiving Agent:
 - (i) pending clearance of your remittance;
 - (ii) pending investigation of any suspected breach of the warranties contained in paragraph 6 below or any other suspected breach of these Terms and Conditions of Application under the Offer; or
 - (iii) pending any verification of identity which is, or which the Receiving Agent considers may be, required for the purpose of applicable anti-money laundering requirements,and any interest accruing on such retained monies shall accrue to and for the benefit of the Company;
- (g) agree that, where an electronic transfer of a sum exceeding the Sterling equivalent of €15,000 is being made by CHAPS, you will supply your bank statement to show from where the sources of the funds have been sent;
- (h) 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;
- (i) 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 Company may terminate the agreement with you to allot Ordinary Shares and, in such case, the Ordinary Shares which would otherwise have been allotted to you may be re-allotted or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned by a cheque drawn on a branch of a UK clearing bank to the bank account on which the payment accompanying the application was first drawn without interest and at your risk;
- (j) represent and warrant to the Company that you: (i) are not a US Person; (ii) are not located within the United States; and (iii) are not acquiring the Ordinary Shares for the account or benefit of a US Person;
- (k) if in the future it decides to offer, sell, transfer, assign, pledge or otherwise dispose of the Shares or any beneficial interest therein, it will do so only (i) in an “offshore transaction” complying with the provisions of Regulation S to a person outside the United States and not known by the transferor to be a US 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;
- (l) agree that you are not, and are not applying on behalf of a person who is, engaged in money laundering, drug trafficking or terrorism;

- (m) undertake to ensure that, in the case of an Application Form signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) is enclosed with your Application Form together with full identity documents for the person so signing;
- (n) undertake to pay interest at the rate described in paragraph 3.3 below if the remittance accompanying your Application Form is not honoured on first presentation;
- (o) authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of Ordinary Shares for which your application is accepted or, if you have completed section 2B on your Application Form, but subject to paragraph (e) above, to deliver the number of Ordinary Shares for which your application is accepted into CREST, and/or to return any monies returnable by cheque in your favour without interest and at your risk;
- (p) confirm that you have read and complied with paragraph 9 of Part IX (Terms and Conditions of Application under the Offer) of this Prospectus;
- (q) agree that all subscription cheques and payments will be processed through a bank account in the name of "CIS PLC RE: SDCL Energy Efficient Income Trust PLC OFS Application Acc" opened by the Receiving Agent;
- (r) agree that your Application Form is addressed to the Company and the Receiving Agent;
- (s) acknowledge that the offer to the public of Ordinary Shares is being made only in the United Kingdom and represent that you are a United Kingdom 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);
- (t) agree that any application may be rejected in whole or in part at the sole discretion of the Company; and
- (u) acknowledge that the Initial Issue will not proceed if the conditions set out in paragraph 4 below are not satisfied.

2.3 In addition to the Application Form, you must also complete and deliver an appropriate Common Reporting Standard self-certification form.

2.4 Any application may be rejected in whole or in part at the sole discretion of the Company

3. Acceptance of your Offer

3.1 The Receiving Agent may, on behalf of the Company, accept your offer to subscribe (if your application is received, valid (or treated as valid), processed and not rejected) for Ordinary Shares by either: (a) notifying the UKLA through a Regulatory Information Service of the basis of allocation (in which case the acceptance will be on that basis); or (b) by notifying acceptance to the Company.

3.2 The basis of allocation will be determined by the Company in consultation with the Investment Manager and Jefferies. The right is reserved notwithstanding the basis as so determined to reject in whole or in part and/or scale back any application on such basis as they may determine. The right is reserved to treat as valid any application not complying fully with these Terms and Conditions of Application under the Offer 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 under the Offer. The Company and Receiving Agent reserve the right (but shall not be obliged) to accept Application Forms and accompanying remittances which are received otherwise than in accordance with these Terms and Conditions of Application under the Offer.

3.3 The Receiving Agent will present all cheques and bankers' drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants' payments. The 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 Company 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 Company plus two per cent per annum. The right is also reserved to reject in whole or in part, or to scale down or limit, any application.

- 3.4 Payments must be in Sterling and cheques or banker's drafts should be drawn on a branch in the United Kingdom of a bank or building society that is either a 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 banker's 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, should be made payable to "CIS PLC RE: SDCL Energy Efficient Income Trust PLC OFS Application Acc" and crossed "A/C payee only". Third party cheques will not be accepted with the exception of building society cheques or banker's 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. The account name should be the same as that shown on the Application Form.
- 3.5 For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 1.00 p.m. on 5 December 2018. Applicants wishing to make a CHAPS payment should contact Computershare Investor Services PLC stating "SDCL Energy Efficiency Income Trust PLC OFS" by email at OFSpaymentqueries@computershare.co.uk for full bank details. Applicants will be provided with a unique reference number which must be used when making the payment.
- 3.6 Should you wish to apply for Ordinary Shares by delivery versus payment method ("DVP"), you will need to match their instructions to the Receiving Agent's Participant Account 3RA10 by no later than 1.00 p.m. on 6 December 2018, allowing for the delivery and acceptance of your Ordinary Shares to your CREST account against payment of the Initial Issue Price through the CREST system upon the relevant settlement date, following the CREST matching criteria set out in the Application Form.
- 3.7 The Company reserves the right in its absolute discretion (but shall not be obliged) to accept applications for less than the minimum subscription.

4. Conditions

The contracts created by the acceptance of applications (in whole or in part) under the Offer will be conditional upon:

- (a) Initial Admission occurring by not later than 8.00 am on 11 December 2018 (or such later date as the Company and Jefferies may agree);
- (b) the Share Issuance Agreement not having been terminated prior to the date of Initial Admission; and
- (c) the Minimum Gross Initial Proceeds being raised.

In circumstances where these conditions are not fully met, the Offer will not proceed. In the event that the Company and the Investment Manager (in consultation with Jefferies) decide to reduce the amount of the Minimum Gross Initial Proceeds or otherwise waive the condition referred to in paragraph 4(c) above, the Company will be required to publish a supplementary prospectus. Any number of shares subscribed for pursuant to an Issue may be allotted if the minimum Net Issue Proceeds are raised and the offer conditions referred to above are satisfied.

You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other rights you may have.

5. Return of Application Monies

Where application monies have been banked and/or received, if any application is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest and after the deduction of any applicable bank charges by returning your cheque, or by crossed cheque in your favour, by post at the risk of the person(s)

entitled thereto. In the meantime, application monies will be retained by the Receiving Agent in a separate account.

6. Representations and Warranties

By completing an Application Form, you:

- (a) 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 under the Offer and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;
- (b) warrant, in connection with your application, that you have complied with the laws of all requisite territories or jurisdictions, 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 and that you have not taken any action or omitted to take any action which will result in the Company, the Investment Manager, Jefferies, or the Receiving Agent or any of their respective affiliates, officers, agents or employees, acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction in connection with the Offer or your application;
- (c) confirm that in making an application you are not relying on any information or representations in relation to the Company and the Ordinary Shares other than those contained in this Prospectus and any supplementary prospectus published by the Company prior to Initial Admission (on the basis of which alone your application is made) and accordingly you agree that no person responsible solely or jointly for this Prospectus, any such supplementary prospectus or any part thereof shall have any liability for any such other information or representation;
- (d) agree that, having had the opportunity to read this Prospectus, you shall be deemed to have had notice of all information and representations contained herein;
- (e) acknowledge that no person is authorised in connection with the Offer to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus published by the Company 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, Jefferies, or the Receiving Agent or any of their respective affiliates;
- (f) warrant that you are not under the age of 18 on the date of your application;
- (g) agree that all documents and monies sent by post to, by or on behalf of the Company or the Receiving Agent, will be sent at your risk and, in the case of documents and returned application cheques and payments to be sent to you, may be sent to you at your address (or, in the case of joint applicants, the address of the first-named applicant) as set out in your Application Form;
- (h) confirm that you have reviewed the restrictions contained in paragraph 9 of this Part IX (Terms and Conditions of Application under the Offer) of this Prospectus and warrant that you (and any person on whose behalf you apply) comply or have complied with the provisions therein;
- (i) acknowledge that you have been notified of the information in respect of the use of your personal data by the Company set out in this Prospectus;
- (j) represent and warrant to the Company, the Registrar and the Administrator that: (1) you have complied in all material aspects with its data controller obligations under the DP Act and GDPR, and in particular, you have notified any data subject of the Purposes (as defined below) for which personal data will be used and by which parties it will be used and you have provided a copy of the Privacy Notice to such relevant data subjects; and (2) where consent is legally competent and/or required under the DP Act and GDPR, you have obtained the consent of any data subject to the Company, the Administrator 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);

- (k) agree that, in respect of those Ordinary Shares for which your Application Form has been received and processed and not rejected, acceptance of your Application Form shall be constituted by the Company instructing the Registrar to enter your name on the register of members of the Company;
- (l) agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer and any non-contractual obligations arising in connection therewith shall be governed by and construed in accordance with the laws of England and Wales and that you submit to the jurisdiction of the English Courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;
- (m) irrevocably authorise the Company, the Investment Manager, Jefferies 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 subscribed by or issued to you into your name and authorise any representatives of the Company, the Investment Manager, Jefferies and/or the Receiving Agent to execute any documents required therefor and to enter your name on the register of members of the Company;
- (n) agree to provide the Company with any information which the Company, the Investment Manager, Jefferies or 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 anti-money laundering requirements;
- (o) warrant that you are: (i) highly knowledgeable and experienced in business and financial matters as to be capable of evaluating the merits and risks of an investment in the Ordinary Shares; (ii) fully understand the risks associated with such investment; and (iii) are able to bear the economic risk of your investment in the Company and are currently able to afford the complete loss of such investment;
- (p) warrant that as far as you are aware, save as otherwise disclosed to the Company and Jefferies, you are not acting in concert (within the meaning given in the Takeover Code) with any other person in relation to the Company and it is not a related party of the Company for the purposes of the Listing Rules (to the extent to which the Company voluntarily complies with these);
- (q) agree that each of the Receiving Agent and Jefferies are acting for the Company in connection with the Offer and for no one else and that they will not treat you as their customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of the Ordinary Shares or concerning the suitability of the Ordinary Shares for you or be responsible to you for providing the protections afforded to their customers;
- (r) warrant that the information contained in your Application Form is true and accurate;
- (s) agree that if you request that Ordinary Shares are issued to you on a date other Initial Admission and such Ordinary Shares are not issued on such date that the Company and its agents and Directors will have no liability to you arising from the issue of such Ordinary Shares on a different date;
- (t) acknowledge that the key information document prepared by the Investment Manager pursuant to the PRIIPs Regulation can be provided to you in paper or by means of a website, but that where you are applying under the Offer directly and not through an adviser or other intermediary, unless requested in writing otherwise, the lodging of an Application Form represents your consent to being provided the key information document via the website at www.sdcleit.com, or on such other website as has been notified to you. Where your application is made on an advised basis or through another intermediary, the terms of your engagement should address the means by which the key information document will be provided to you. and
- (u) confirm that if you are apply on behalf of someone else you will not, and will procure that none of your affiliates will, circulate, distribute, publish or otherwise issue (or authorise any other person to issue) any document or information in connection with the Initial Issue, or make any announcement or comment (whether in writing or otherwise) which states or implies

that it has been issued or approved by or prepared in conjunction with the Company or any person responsible solely or jointly for the Prospectus or any part thereof or involved in the preparation thereof or which contains any untrue statement of material fact or is misleading or which omits to state any material fact necessary in order to make the statement therein misleading.

7. Money Laundering

7.1 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 from any person lodging an Application Form (the “**holder**”) and may further request from you and you will assist in providing identification of:

- (a) 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
- (b) 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 in the despatch of documents.

7.2 Without prejudice to the generality of this paragraph 7, 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, in such circumstances, 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.

7.3 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 the holder.

7.4 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.

7.5 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).

7.6 If the amount being subscribed exceeds €15,000 (or the Sterling equivalent) you should endeavour to have the declaration contained in Section 5 of the Application Form signed by an appropriate firm as described in that section. If you cannot have that declaration signed and the amount being subscribed exceeds €15,000 (or the Sterling equivalent) then you must provide with the Application Form the identity documentation detailed in Section 6 of the Application Form for each underlying beneficial owner.

7.7 If the Application Form is lodged with payment by a regulated financial services firm (being a person or institution) (the “**Firm**”) which is located in Austria, Belgium, Canada, Cyprus, Denmark, Finland, France, Germany, Gibraltar, Guernsey, Hong Kong, Iceland, Ireland, Isle of Man, Italy, Japan, Jersey, Luxembourg, Malta, the Netherlands, New Zealand, Norway, Portugal, Singapore, the Republic of South Africa, Spain, Sweden, Switzerland, the United Kingdom and the United States, the Firm should provide with the Application Form written

confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Company (or any of its agents). If the Firm is not such an organisation, it should contact Computershare Investor Services PLC, The Pavillions, Bridgwater Road, Bristol BS13 8AE. To confirm the acceptability of any written assurance referred to above, or in any other case, the applicant should call Computershare Investor Services PLC on +44(0)370 703 0018. Lines are open 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday. Calls may be recorded and randomly monitored for security and training purposes. Please note that the Receiving Agent cannot provide advice on the merits of the Initial Issue nor give any financial, legal or tax advice.

- 7.8 The Receiving Agent may undertake electronic searches for the purposes of verifying your identity. To do so the Receiving Agent may verify the details against your identity, but may also request further proof of your identity. The Receiving Agent reserves the right to withhold any entitlement (including any refund cheque) until such verification of identity is completed to its satisfaction.

8. Data protection

- 7.7 Each prospective investor acknowledges and agrees that it has read the Privacy Notice.
- 7.8 For the purposes of this section, the Privacy Notice and other sections of this document, “data controller”, “data processor”, “data subject”, “personal data”, “processing”, “sensitive personal data” and “special category data” shall have the meanings attributed to them in the DP Act and GDPR and the term “process” shall be construed accordingly.
- 7.9 Information provided by it to the Company or the Registrar will be stored both on the Company Secretary’s and the Registrar’s computer system and manually. It acknowledges and agrees that for the purposes of the DP Act and GDPR the Company and the Registrar are each required to specify the purposes for which they will hold personal data.
- 7.10 Each of the Company and its service providers shall:
- 7.10.1 be responsible for and control any personal data which it processes in relation to investors or arising out of the matters described in this document;
 - 7.10.2 comply with the DP Act, GDPR and any other data protection legislation applicable to the collection and processing of the personal data; and
 - 7.10.3 take appropriate technical and organisational measures against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, the personal data.
- 7.11 Where personal data is shared by each prospective investor with the Company or its agents pursuant to this document, each prospective investor shall ensure that there is no prohibition or restriction which would:
- 7.11.1 prevent or restrict it from disclosing or transferring the personal data to the relevant recipient;
 - 7.11.2 prevent or restrict the Company or its agents from disclosing or transferring the personal data to relevant third parties, and any of its (or their) employees, agents, delegates and subcontractors (including to jurisdictions outside of the EEA and including the USA), in order to provide the services or services ancillary thereto; or
 - 7.11.3 prevent or restrict the Company and any of its (or their), employees, agents, delegates and subcontractors, from processing the personal data as specified in the Privacy Notice and/or in this document.
- 7.12 If each prospective investor passes personal data of any of its or its Affiliates’ employees, representatives, beneficial owners, agents and subcontractors to the Company or its agents, each prospective investor warrants that it has provided adequate notice to such employees, representatives, beneficial owners, agents and subcontractors including the detail set out in this paragraph 7 and the Privacy Notice and as required by the DP Act and GDPR relating to the processing by the Company or its agents as applicable of such personal data and to the transfer of such personal data outside the EEA.

- 7.13 If each prospective investor passes personal data of any of its shareholders, investors or clients to the Company, each prospective investor warrants that it will provide the Privacy Notice or equivalent wording to such shareholders, investors or clients.
- 7.14 Each prospective investor will also ensure that it has obtained any necessary consents from any of its or its Affiliates', representatives, employees, beneficial owners, agents or subcontractors in order for the Receiving Agent to carry out AML Checks (as defined in the Privacy Notice).
- 7.15 In providing the Company, the Registrar, the Receiving Agent and Jefferies with information each prospective investor hereby represents and warrants to the Company, the Registrar, the Receiving Agent and Jefferies that it has obtained any necessary consents of any data subject whose data it has provided to the Company and the Registrar and their respective associates holding and using their personal data as set out in the Privacy Notice (including, where required, the explicit consent of the data subjects for the processing of any sensitive personal data as set out in the Privacy Notice) and will make the Privacy Notice, for which the Company and the Registrar will process the data, available to all data subjects whose personal data may be shared by it for this purpose.
- 7.16 The Company and the Registrar are each data controllers for the purpose of the DP Act and GDPR and the parties all agree and acknowledge that none of the Company or the Registrar is or shall be a data processor for any of the others or a joint data controller with any of the others and they will each comply with their obligations under the DP Act and GDPR and each prospective investor will do nothing that puts the Company or the Registrar in breach of their respective obligations. The Company Secretary is a data processor for the purpose of the DP Act and GDPR and the parties all agree and acknowledge this.

9. Overseas Persons

The attention of potential investors who are not resident in, or who are not citizens of, the United Kingdom is drawn to this paragraph 9:

- (a) The offer of Ordinary Shares under the Offer to persons who are resident in, or citizens of, countries other than the United Kingdom (“**Overseas Persons**”) may be affected by the law of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to subscribe for Ordinary Shares under the Offer. It is the responsibility of all Overseas Persons receiving this Prospectus and/or wishing to subscribe to the Ordinary Shares under the Offer, to satisfy themselves as to full observance of the laws of any relevant territory or jurisdiction in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities required to be observed and paying any issue, transfer or other taxes due in such territory.
- (b) No person receiving a copy of this Prospectus in any territory other than the United Kingdom may treat the same as constituting an offer or invitation to him, unless in the relevant territory such an offer can lawfully be made to him without compliance with any further registration or other legal requirements.
- (c) Unless otherwise expressly agreed with the Company, persons (including, without limitation, custodians, nominees and trustees) receiving this Prospectus should not distribute or send it to US Persons or in or into the United States, Australia, Canada, Japan, New Zealand or South Africa, their respective territories or possessions or any other jurisdiction, or to any other person, where to do so would or might contravene local securities laws or regulations.
- (d) None of the Ordinary Shares have been or will be registered under the laws of Australia, Canada, Japan, New Zealand, the Republic of South Africa, Australia, Canada, Japan, New Zealand, or the Republic of South Africa. If you subscribe for Ordinary Shares pursuant to the Offer you will, be deemed to represent and warrant to the Company that you are not a resident of Australia, Canada, Japan, New Zealand, the Republic of South Africa or a corporation, partnership or other entity organised under the laws of Canada (or any political subdivision) or Australia or Japan or New Zealand or the Republic of South Africa and that you are not subscribing for such Ordinary Shares for the account or benefit of any resident of Australia, Canada, Japan, New Zealand or the Republic of South Africa and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the Ordinary Shares in or into

Australia, Canada, Japan, New Zealand or the Republic of South Africa or to any person resident in Australia, Canada, Japan, New Zealand or the Republic of South Africa. No Application Form will be accepted if it shows the applicant, payor or a holder having an address in Australia, Canada, Japan, New Zealand or the Republic of South Africa.

- (e) The Shares have not been and will not be registered under the Securities Act. Outside the United States, the Shares may be sold to persons who are not US Persons. Any sale of Shares in the United States or to US Persons may only be made to persons reasonably believed to be QIBs that are also QPs. The Company will not be registered under the Investment Company Act and investors in the Shares will not be entitled to benefits of regulation under that act. Furthermore, the Investment Manager is not registered under the Investment Advisers Act and investors in the Shares and the Company will not be entitled to the benefits of the requirements applicable to investment managers registered under that act. This Prospectus does not constitute, or purport to include the information required of, a disclosure document under Chapter 6D of the Corporations Act or a product disclosure statement under Chapter 7 of the Corporations Act and will not be lodged with the Australian Securities and Investments Commission. No offer of shares is or will be made in Australia pursuant to this document, except to a person who is (i) either a “sophisticated investor” within the meaning of section 708(8) of the Corporations Act or a “professional investor” within the meaning of section 9 and section 708(11) of the Corporations Act; and (ii) a “wholesale client” for the purposes of section 761G(7) of the Corporations Act (and related regulations) who has complied with all relevant requirements in this respect, or another person who may be issued shares without requiring a disclosure document. If any shares are issued, they may not be offered for sale (or transferred, assigned or otherwise alienated) to investors in Australia for at least 12 months after their issue, except in circumstances where disclosure to investors is not required under Part 6D.2 of the Corporations Act.
- (f) The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares pursuant to the Offer if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

10. Miscellaneous

- 10.1 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.
- 10.2 The rights and remedies of the Company, the Investment Manager, Jefferies and the Receiving Agent under these Terms and Conditions of Application under the Offer 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.
- 10.3 The Company reserves the right to shorten or extend the closing time and/or date of the Offer from 11.00 a.m. (London time) on 5 December 2018 (provided that if the closing time is extended this Prospectus remains valid at the closing time as extended). The Company will notify investors of any relevant changes via a Regulatory Information Service.
- 10.4 The Company may terminate the Offer, in its absolute discretion, at any time prior to Initial Admission. If such right is exercised, the Offer will lapse and any monies will be returned to you as indicated at your own risk and without interest.
- 10.5 The dates and times referred to in these Terms and Conditions of Application under the Offer may be altered by the Company, including but not limited to so as to be consistent with the Share Issuance Agreement (as the same may be altered from time to time in accordance with its terms).
- 10.6 Save where the context requires otherwise, terms used in these Terms and Conditions of Application under the Offer bear the same meaning as used elsewhere in this Prospectus.

PART X – GLOSSARY OF TERMS

Set out below is an explanation of some of the industry-specific terms which are used in this Prospectus:

“AD Plant”	units used in connection with anaerobic digestion, which is a collection of processes by which microorganisms break down biodegradable material in the absence of oxygen. The process is used for industrial or domestic purposes to manage waste or to produce fuels
“baseline”	a measurement of energy consumption and performance over a defined period. The baseline can serve as a starting point for setting energy efficiency improvement goals as well as a comparison point for evaluating future efforts and trending overall performance
“biomass boiler”	a wood-fuelled heating system, which burns wood pellets, chips or logs to provide warmth in a single room or to power central heating and hot water boilers
“BMS”	building management systems
“CCHP”	combined cooling/heating and power
“CHP”	combined heating and power
“capex”	capital expenditure incurred by an entity, whether a Counterparty or otherwise, typically to acquire, upgrade and maintain physical assets
“Contractual Payment”	the payments by the Counterparty to the Company or relevant Project SPV under the contractual arrangements governing an Energy Efficiency Project, whether such payments take the form of a service charge, a fee, a loan repayment or other forms of payments as may be appropriate from time to time
“Counterparty”	the host of the Energy Efficiency Equipment with whom the Company has entered into the Energy Efficiency Project, either directly or indirectly through the use of one or more Project SPVs
“decentralised energy”	energy which is produced close to where it will be used, rather than at a large centralised plant elsewhere, delivered through a centralised grid infrastructure
“energy efficiency”	using less energy to provide the same level of energy. Efficient energy use is achieved primarily through implementation of a more efficient technology or process
“Energy Efficiency Equipment”	the equipment that is installed at the premises of a Counterparty or a site directly connected to the premises of a Counterparty in connection with an Energy Efficiency Project, including but not limited to CHP units, CCHP plant schemes, HVAC units, lighting equipment, biomass boilers and steam raising boilers (including IP steam processors)
“energy efficiency technology”	technologies deployed to achieve an improvement in energy efficiency
“EPC Contract”	the engineering, procurement and construction contract between the Company (or relevant Project SPV) and the relevant EPC Contractor in respect of the Energy Efficiency Equipment to be designed, built, commissioned and installed pursuant to an Energy Efficiency Project
“EPC Contractors”	contractors engaged to perform engineering, procurement and construction obligations in respect of an Energy Efficiency Project

“ESA”	an energy saving agreement governing the terms on which energy savings are apportioned between the Counterparty and the relevant Project SPV
“GHG”	greenhouse gases
“GHG Protocol”	the GHG Protocol: A Corporate Accounting and Reporting Standard: Revised Edition
“green wall”	a green wall is a wall partially or completely covered with greenery that includes a growing medium, such as soil or a substrate. Most green walls also feature an integrated water delivery system. A green wall provides insulation to keep the building’s inside temperature consistent
“HVAC”	heating, ventilation and air conditioning
“Hydro”	the production of electrical power through the use of the gravitational force of falling or flowing water
“IP steam”	steam at intermediate pressure levels
“KWh”	kilowatts used or generated per hour
“LED”	light-emitting diode
“lighting equipment”	energy efficient lighting used in connection with an Energy Efficiency Project, including but not limited to LEDs and associated fittings
“non-domestic buildings”	property that is not used as private dwellings, including but not limited to factories, warehouses, hotels, commercial units (such as shops and offices) and public buildings (such as schools and hospitals)
“O&M”	operating and maintenance obligations in respect of an Energy Efficiency Project
“O&M Contract”	the operating and maintenance contract between the Company (or relevant Project SPV) and the relevant O&M Contractor in respect of the Energy Efficiency Equipment installed pursuant to an Energy Efficiency Project
“O&M Contractor”	the contractor appointed by the Company or the relevant Project SPV to perform maintenance obligations in relation to the relevant Energy Efficiency Equipment
“PPA”	power purchase agreement
“renewable energy”	energy derived from a source that is not depleted when used, including but not limited to wind or solar power
“RHI”	the renewable heat incentive scheme operated by Ofgem
“steam raising boiler”	technology through which pressurised water is transformed into steam through the application of heat
“subsidy-based revenue”	revenues derived from a government-mandated financial incentive scheme. In the case of electricity, this will usually take the form of a payment mechanism achieved through generation of electricity utilising a particular favoured technology
“utility scale”	electricity generation of sufficient scale to be exported to a national electricity grid, supplying a utility with energy which is typically governed by a PPA with such utility

PART XI – DEFINITIONS

“Acquisition Agreement”	the acquisition agreement between the general partner of the Seller Funds, the Seller Funds and SEEIT HoldCo relating to the acquisition of the Seed Portfolio summarised in paragraph 11.7.1 of Part VII (Additional Information on the Company) of this Prospectus
“Acquisition Finance”	has the meaning given in the section entitled “Investment Objective and Investment Policy” in Part I (Information on the Company) of this Prospectus
“Act”	the UK Companies Act 2006, as amended from time to time
“Adjusted NAV”	the latest published Net Asset Value at the relevant time, less uncommitted cash and adjusted on a daily basis for new acquisitions, new cash committed to investments, disposals and changes in amounts of debt drawn
“Administrator”	Sanne, or such other entity appointed as the Company’s administrator from time to time
“Admission”	the admission of Shares issued pursuant to an Issue to the premium listing category of the Official List and to trading on the premium segment of the Main Market
“Affiliate”	an affiliate of, or person affiliated with, a specified person, including a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified
“AIC”	the Association of Investment Companies
“AIC Code”	the AIC Code of Corporate Governance, as revised or updated from time to time
“AIC Guide”	the AIC Corporate Governance Guide for Investment Companies, as revised or updated from time to time
“AIFM”	an alternative investment fund manager, within the meaning of the AIFM Directive
“AIFM Directive”	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No. 1095/2010; the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision
“Application Form”	the application form on which applicants may apply for Ordinary Shares to be issued pursuant to the Offer, as set out in Appendix 1 to this Prospectus
“Articles”	the articles of association of the Company as at the date of this Prospectus
“Audit Committee”	the committee of this name established by the Board and having the duties described in the section entitled “Audit Committee” in Part IV (Directors, Management and Administration) of this Prospectus
“Board”	the board of Directors of the Company, including any duly constituted committee thereof
“Business Day”	a day (excluding Saturdays and Sundays or public holidays in England and Wales) on which banks generally are open for business in London for the transaction of normal business

“C Share”	a redeemable ordinary share of £0.01 in the capital of the Company issued and designated as “C Shares” of such class (denominated in such currency) as the Directors may determine in accordance with the Articles, and having such rights and being subject to such restrictions as are contained in the Articles and which will convert into Ordinary Shares in accordance with the terms of the Articles
“Cash and Cash Equivalents”	has the meaning given in the section entitled “Investment Objective and Investment Policy” in Part I (Information on the Company) of this Prospectus
“certificated” or “in certificated form”	not in uncertificated form
“Chairman”	the chairman of the Board
“Common Reporting Standard”	the global standard for the automatic exchange of financial information between tax authorities developed by the Organisation for Economic Co-operation and Development
“Company”	SDCL Energy Efficiency Income Trust plc, a limited liability company incorporated under the Act in England and Wales on 12 October 2018 with registered number 11620959, whose registered office is at Asticus Building 2nd Floor, 21 Palmer Street, London, SW1H 0AD
“Company Secretary”	Sanne Group (UK) Limited, or such other entity as may be appointed as company secretary to the Company from time to time
“Company Secretary and Administration Services Agreement”	the agreement dated 22 November 2018, between the Company and Sanne summarised in paragraph 11.4 of Part VII (Additional Information on the Company) of this Prospectus
“Company SPV”	a Project SPV owned by the Company or one of its Affiliates through which investments are made
“Conversion”	has the meaning given in paragraph 6.2.22 of Part VII (Additional Information on the Company) of this Prospectus
“Conversion Calculation Date”	has the meaning given in paragraph 6.2.22 of Part VII (Additional Information on the Company) of this Prospectus
“Conversion Ratio”	has the meaning given in paragraph 6.2.22 of Part VII (Additional Information on the Company) of this Prospectus
“Corporation Tax Act 2010”	the UK Corporation Tax Act 2010 (as amended)
“Corporations Act”	the Australian Corporations Act 2001
“CPI”	the UK consumer price index
“CREST”	the relevant system as defined in the CREST Regulations in respect of which Euroclear UK & Ireland Limited is the operator (as defined in the CREST Regulations), in accordance with which securities may be held in uncertificated form
“CREST Account”	an account in CREST
“CREST Regulations”	the UK Uncertificated Securities Regulations 2001 (SI No. 2001/3755), as amended
“Depositary”	Sanne Group Administration Services (UK) Limited, incorporated in England and Wales with registered number 05666576, whose registered office is at Asticus Building 2nd Floor, 21 Palmer Street, London, SW1H 0AD
“Depositary Agreement”	the agreement dated 22 November 2018, between the Company, the Investment Manager and the Depositary summarised in paragraph 11.3 of Part VII (Additional Information on the Company) of this Prospectus

“Directors”	the directors of the Company
“Disclosure Guidance and Transparency Rules”	the disclosure guidance and transparency rules made by the FCA under Part VI of FSMA
“DP Act”	the UK Data Protection Act 2018
“EEA”	the European Economic Area
“Energy Efficiency Project”	has the meaning given in paragraph 3 of Part II (Industry Overview, Investment Opportunity and Seed Portfolio) of this Prospectus
“ERISA”	the US Employment Retirement Income Security Act of 1974, as amended from time to time, and the applicable regulations thereunder
“ESG”	environmental, social and governance criteria, being the three factors that investors consider in connection with a company’s ethical impact and sustainable practices
“EU”	the European Union
“Exchange Act”	the US Securities Exchange Act of 1934, as amended
“Existing Shareholder”	SDCL EE CO (UK) LLP
“FATCA”	Sections 1471 to 1474 of the US Tax Code, known as the US Foreign Account Tax Compliance Act (together with any regulations, rules and other guidance implementing such US Tax Code sections and any applicable IGA or information exchange agreement and related statutes, regulations, rules and other guidance thereunder)
“FCA” or “Financial Conduct Authority”	the Financial Conduct Authority of the United Kingdom
“FCA Rules”	the rules and guidance set out in the FCA Handbook of Rules and Guidance from time to time
“Final Closing Date”	the earliest of (i) 21 November 2019; (ii) the date on which all of the Shares available for issue under the Share Issuance Programme have been issued; and (iii) such other date as may be agreed between Jefferies and the Company (such agreed date to be announced by way of an RIS announcement)
“Final Intermediaries Offer”	the Intermediaries Offer expected to close on or around 20 November 2019
“First Intermediaries Offer”	the Intermediaries Offer expected to close on or around 19 February 2019
“FSMA”	the UK Financial Services and Markets Act 2000, as amended
“GDPR”	Regulation (EU) 2016/679 of the European Parliament and of the Council 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC
“Grant Thornton”	Grant Thornton UK LLP appointed as the Company’s independent valuer
“Gross Asset Value”	the value of all assets of the Company, being the sum of all investments held in the Portfolio together with any Cash and Cash Equivalents, determined in accordance with the Company’s valuation policy and in accordance with applicable accounting standards and the Company’s constitution
“Gross Initial Proceeds”	the gross proceeds of the Initial Issue, being the number of Ordinary Shares issued multiplied by the Initial Issue Price

“Gross Issue Proceeds”	the gross proceeds of any Issue other than the Initial Issue, being the number of Shares issued under the Subsequent Issue multiplied by the relevant Share Issuance Price
“HMRC”	HM Revenue & Customs
“IFRS”	International Financial Reporting Standards
“IGA”	intergovernmental agreement
“Initial Admission”	Admission of the Ordinary Shares to be issued pursuant to the Initial Issue, which is expected to take place on or around 11 December 2018
“Initial Expenses”	the commissions, costs and expenses of the Company that are necessary for the establishment of the Company, the Initial Issue and Initial Admission
“Initial Issue”	the Offer and the Initial Placing
“Initial Issue Price”	£1.00 per Ordinary Share
“Initial Placing”	the first Placing of Ordinary Shares under the Share Issuance Programme, which is expected to close on or around 5 December 2018
“Intermediaries Offer”	an offer of Shares made by Intermediaries, being the First Intermediaries Offer, the Second Intermediaries Offer, the Third Intermediaries Offer and the Final Intermediaries Offer
“Intermediaries Offers Application Form”	the form of application for Shares in the Intermediaries Offers used by Intermediaries in connection with an Intermediaries Offer
“Intermediary”	a financial intermediary that is appointed by Jefferies and/or the Company to offer Shares to retail investors under an Intermediaries Offer, and references to “Intermediaries” shall be construed accordingly
“Investment Opportunities”	the three contracted investment opportunities set out in paragraph 7.2.6 of Part II (Industry Overview, Investment Opportunity and Seed Portfolio) of this Prospectus
“Investment Company Act”	the US Investment Company Act of 1940, as amended
“Investment Management Agreement”	the agreement dated 22 November 2018, between the Company and the Investment Manager summarised in paragraph 11.1.1 of Part VII (Additional Information on the Company) of this Prospectus
“Investment Management Fee”	has the meaning given in paragraph 8 of Part IV (Directors, Management and Administration) of this Prospectus
“Investment Manager”	Sustainable Development Capital LLP, a limited liability partnership incorporated in England and Wales under the Limited Liability Partnership Act 2000 with registered number OC330266
“IRS”	the US Internal Revenue Service
“ISA”	an individual savings account approved in the UK by HMRC
“Issue”	an issue of Shares pursuant to a Placing, Offer, Intermediaries Offer (or a combination of each), made in connection with the Initial Issue or any Subsequent Issue
“Issue Price”	the Initial Issue Price or the relevant Share Issuance Price, as applicable
“Jefferies”	Jefferies International Limited, a limited liability company incorporated in England and Wales with registered number 01978621, whose registered office is at Vintners Place, 68 Upper Thames Street, London, EC4V 3BJ
“Listing Rules”	the listing rules made by the FCA under Part VI of FSMA

“London Stock Exchange”	London Stock Exchange plc, a limited liability company registered in England and Wales with registered number 02075721, whose registered office is at 10 Paternoster Square, London, EC4M 7LS
“Long Stop Date”	31 December 2018
“Main Market”	London Stock Exchange’s main market for listed securities
“Market Abuse Regulation” or “MAR”	the Market Abuse Regulation (2014/596/EU) and its implementing and delegated acts
“Member State” or “EEA State”	any state within the EEA
“MiFID II”	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (“ MiFID ”) and Regulation (EU) No 600/2014 of the European Parliament and the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (“ MiFIR ” and, together with MiFID, “ MiFID II ”)
“Minimum Gross Initial Proceeds”	the minimum Gross Initial Proceeds required for the Initial Issue to proceed, being £100 million
“Minimum Net Initial Proceeds”	the minimum Net Initial Proceeds required for the Initial Issue to proceed, being £98 million
“Money Laundering Directive”	Directive 2015/849/EU of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing
“Money Laundering Regulations”	the UK Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (SI No. 2017/692), as amended
“NAV” or “Net Asset Value”	the value of all assets of the Company less liabilities to creditors (including provisions for such liabilities) determined in accordance with the Company’s valuation policy and in accordance with applicable accounting standards and the Company’s constitution
“Net Initial Proceeds”	the net proceeds of the Initial Issue, being the Gross Initial Proceeds less the Initial Expenses
“Net Issue Proceeds”	the net proceeds of any Subsequent Issue, being the Gross Issue Proceeds less the Subsequent Expenses of such Subsequent Issue
“New ISA”	an individual savings account maintained in accordance with the UK Individual Savings Account Regulations 1998 (as amended from time to time)
“Non-Qualified Holder”	has the meaning given in paragraph 6.2.14(G) of Part VII (Additional Information on the Company) of this Prospectus
“NURS”	a non-UCITS retail scheme, being a fund authorised by the FCA that is neither a UCITS scheme or a qualified investor scheme
“Offer”	the offer for subscription contained in this Prospectus of Ordinary Shares pursuant to the Initial Issue, which is expected to close on or around 5 December 2018
“Official List”	the official list maintained by the UK Listing Authority

“Ordinary Shares”	an ordinary share of £0.01 in the capital of the Company issued and designated as “Ordinary Shares” of such class (denominated in such currency) as the Directors may determine in accordance with the Articles and having such rights and being subject to such restrictions as are contained in the Articles
“Overseas Persons”	persons who are resident in, or who are citizens of, or who have registered addresses in, territories other than the UK
“PD Amending Directive”	Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 amending the Prospectus Directive and Directive 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market
“Pipeline Project”	has the meaning given in paragraph 8 of Part II (Industry Overview, Investment Opportunity and Seed Portfolio) of this Prospectus
“Placee”	a person subscribing for Shares under any Placing
“Placing”	a conditional placing of Shares described in this Prospectus, on the terms and subject to the conditions set out in the Share Issuance Agreement and this Prospectus
“Portfolio”	the portfolio of Energy Efficiency Projects in which the Company is invested from time to time either directly or through one or more Project SPVs
“PRIIPs Regulation”	Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) and its implementing and delegated acts
“Project SPV”	a special purpose vehicle used as the project company in respect of an Energy Efficiency Project, including a Company SPV and a Third Party SPV
“Prospectus”	this document
“Prospectus Directive”	Directive 2003/71/EC of the European Parliament and of the Council of the European Union on the prospectus to be published when securities are offered to the public or admitted to trading and any relevant implementing measure in each Relevant Member State (as amended, supplemented and/or replaced by the 2010 PD Amending Directive and the Prospectus Regulation)
“Prospectus Regulation”	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
“Prospectus Rules”	the rules and regulations made by the FCA under Part VI of FSMA
“Receiving Agent”	Computershare Investor Services PLC incorporated in England and Wales with registered number 03498808, whose registered office is at The Pavilions, Bridgwater Road, Bristol, BS13 8AE
“Receiving Agent Services Agreement”	the agreement dated 22 November 2018, between the Company and the Receiving Agent summarised in paragraph 11.6 of Part VII (Additional Information on the Company) of this Prospectus
“Redeemable Preference Shares”	5,000,000 redeemable preference shares of £0.01 each having the rights as set out in the Articles issued to the Investment Manager on the incorporation of the Company and to be cancelled at the same time as the Company’s share premium account with the approval of the courts of England and Wales
“Register”	the register of members of the Company

“Registrar”	Computershare Investor Services PLC, incorporated in England and Wales with registered number 03498808, whose registered office is at The Pavilions, Bridgwater Road, Bristol, BS13 8AE
“Registrar Services Agreement”	the agreement dated 22 November 2018, between the Company and the Registrar summarised in paragraph 11.5 of Part VI (Additional Information on the Company) of this Prospectus
“Regulation S”	Regulation S under the Securities Act
“Regulatory Information Service” or “RIS”	a service authorised by the UK Listing Authority to release regulatory announcements to the London Stock Exchange
“Relevant Member State”	each EEA state which has implemented the Prospectus Directive or where the Prospectus Directive is applied by the regulator
“Restricted Territory”	the United States, Australia, Canada, Japan, New Zealand or the Republic of South Africa
“Rome I”	Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations
“Sanne”	Sanne Group (UK) Limited, incorporated in England and Wales with registered number 05918184, whose registered office is at Asticus Building 2nd Floor, 21 Palmer Street, London, SW1H 0AD
“SDCL Affiliates”	any subsidiary undertaking, as such term is defined in section 1162 of the Act, of the Investment Manager
“SDCL Clients”	has the meaning given in paragraph 5 of Part II (Industry Overview, Investment Opportunity and Seed Portfolio) of this Prospectus
“SDCL Group”	the Investment Manager and the SDCL Affiliates
“SDRT”	UK stamp duty reserve tax
“SEC”	the US Securities and Exchange Commission
“Second Intermediaries Offer”	the Intermediaries Offer expected to close on or around 5 June 2019
“Securities Act”	the US Securities Act of 1933, as amended
“Seed Portfolio”	the portfolio of Seed Projects and contracted Investment Opportunities, as described in paragraph 7 of Part II (Industry Overview, Investment Opportunity and Seed Portfolio) of this Prospectus
“Seed Project”	one of the nine Energy Efficiency Projects to be acquired by the Company on Initial Admission as further described in paragraph 7 of Part II (Industry Overview, Investment Opportunity and Seed Portfolio) of this Prospectus
“SEEIT HoldCo”	SEEIT HoldCo Limited, a limited liability company incorporated in England and Wales on 24 October 2018 with registered number 11641051, whose registered office is Foxglove House, 166 Piccadilly, London W1J 9EF
“Seller Funds”	each of UK Energy Efficiency Investments 1 L.P. (“ Fund 1 ”) and UK Energy Efficiency Investments 1A L.P. (“ Fund 2 ”), and references to “ Seller Fund ” shall be construed accordingly
“Seller Funds Manager”	SDCL EE Co (UK) LLP, a limited liability partnership incorporated in England and Wales under the Limited Liability Partnership Act 2000 with registered number OC376937
“Share Issuance Agreement”	the share issuance agreement dated 22 November 2018, between the Company, the Directors, the Investment Manager and Jefferies summarised in paragraph 11.1 of Part VII (Additional Information on the Company) of this Prospectus

“Share Issuance Price”	any price other than the Initial Issue Price at which Shares are issued pursuant to the Share Issuance Programme
“Share Issuance Programme”	the proposed programme of Placings to be carried out by Jefferies on behalf of the Company pursuant to the Share Issuance Agreement, commencing immediately following Initial Admission and closing on the Final Closing Date
“Shareholder”	a holder of Shares in the capital of the Company
“Shares”	Ordinary Shares and/or C Shares (or both), in each case as the context requires
“SIPP”	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
“SSAS”	a small self-administered scheme
“Sterling” or “£”	pounds sterling, the lawful currency of the UK
“Structural Gearing”	has the meaning given in the section entitled “Investment Objective and Investment Policy” in Part I (Information on the Company) of this Prospectus
“Subsequent Admission”	Admission of new Shares issued pursuant to a Subsequent Issue
“Subsequent Expenses”	has the meaning given in paragraph 3.3 of Part V (The Initial Issue and the Share Issuance Programme) of this Prospectus
“Subsequent Issue”	an issue of new Shares pursuant to a Subsequent Placing or an Intermediaries Offer
“Subsequent Placing”	any Placing of Shares pursuant to the Share Issuance Programme, other than the Initial Placing
“Takeover Code”	the City Code on Takeovers and Mergers
“Takeover Panel”	the UK Panel on Takeovers and Mergers
“Tax Deed”	the tax deed between SEEIT HoldCo and the general partner of the Seller Funds (on behalf of the Seller Funds) summarised in paragraph 11.7.2(B) of Part VII (Additional Information on the Company) of this Prospectus
“Termination Date”	has the meaning given in paragraph 11.2.9 of Part VII (Additional Information on the Company) of this Prospectus
“Third Intermediaries Offer”	the Intermediaries Offer expected to close on or around 24 September 2019
“Third Party SPV”	an SPV controlled by an entity other than the Company or its Affiliates through which investments are made
“UCITS Directive”	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended
“UCITS scheme”	an authorised fund authorised by the FCA in accordance with the UCITS Directive
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK Corporate Governance Code”	the United Kingdom Corporate Governance Code as published by the UK Financial Reporting Council, as revised or updated from time to time
“UK Listing Authority” or “UKLA”	the FCA acting in its capacity as the competent authority for the purposes of admissions to the Official List
“uncertificated” or “uncertificated form”	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

“US Dollars” or “US\$”	United States dollars, the lawful currency of the United States
“US Person”	a US person as defined under Regulation S, and references to “US Persons” shall be construed accordingly
“US Plan Assets Regulations”	the regulations promulgated by the US Department of Labor at 29 CFR 2510.3-101, as modified under section 3(42) of ERISA
“US Tax Code”	the US Internal Revenue Code of 1986, as amended
“Valuation”	has the meaning given in paragraph 6.3 of Part II (Industry Overview, Investment Opportunity and Seed Portfolio) of this Prospectus
“Valuation Opinion”	the opinion provided by Grant Thornton pertaining to the Valuation, as reproduced at Part III (Valuation Opinion) of this Prospectus
“Volcker Rule”	Section 13 of the US 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
“Warranty Deed”	the warranty deed between SEEIT HoldCo and the Seller Funds Manager summarised in paragraph 11.7.2(A) of Part VII (Additional Information on the Company) of this Prospectus

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APPENDIX 1 – OFFER FOR SUBSCRIPTION APPLICATION FORM

Please send this completed form by post to Computershare Investor Services PLC (Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol, BS99 6AH) or by hand (during normal business hours) to the Receiving Agent (Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol, BS13 8AE) so as to be received no later than 11.00 a.m. on 5 December 2018.

FOR OFFICIAL USE ONLY

Log No.

The Company and Jefferies may agree to alter such date, and thereby shorten or lengthen the Offer period. In the event that the Offer period is altered, the Company will notify investors of such change.

Important: Before completing this form, you should read the Prospectus dated 22 November 2018, including Part IX (“Terms and Conditions of Application Under the Offer”) of the Prospectus, and the section titled “Notes on How to Complete the Offer for Subscription Application Form” at the end of this form.

Box 1 (minimum of £1000 and in multiples of £100 thereafter)

To: SDCL Energy Efficiency Income Trust plc and the Receiving Agent

1. APPLICATION

I/We the person(s) detailed in section 2A below offer to subscribe the amount shown in Box 1 above for Ordinary Shares subject to the “Terms and Conditions of Application Under the Offer” set out in the Prospectus dated 22 November 2018 and subject to the articles of association of the Company in force from time to time.

2A. DETAILS OF HOLDER(S) IN WHOSE NAME(S) ORDINARY SHARES WILL BE ISSUED (BLOCK CAPITALS)

1.	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Address (in full):		
Postcode:		Designation (if any):
2.	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Address (in full):		
Postcode:		Designation (if any):
3.	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Address (in full):		
Postcode:		Designation (if any):
4.	Mr, Mrs, Ms or Title:	Forenames (in full):
Surname/Company name:		
Address (in full):		
Postcode:		Designation (if any):



2B. CREST ACCOUNT DETAILS INTO WHICH ORDINARY SHARES ARE TO BE DEPOSITED (IF APPLICABLE)

Only complete this section if Ordinary Shares allotted are to be deposited in a CREST Account which must be in the same name as the holder(s) given in section 2A.

(BLOCK CAPITALS)

CREST Participant ID:

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CREST Member Account ID:

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3. SIGNATURE(S): ALL HOLDERS MUST SIGN

By completing section 3 below you are deemed to have read the Prospectus and agreed to the terms and conditions in Part IX (Terms and Conditions of Application Under the Offer) of the Prospectus and to have given the warranties, representations and undertakings set out therein.

First Applicant Signature:	Date:
Second Applicant Signature:	Date:
Third Applicant Signature:	Date:
Fourth Applicant Signature:	Date:

Execution by a Company

Executed by (Name of Company):		Date:
Name of Director:	Signature:	Date:
Name of Director/Secretary:	Signature:	Date:
If you are affixing a company seal, please mark a cross <input type="checkbox"/>	Affix Company Seal here:	

4. SETTLEMENT

Please tick the relevant box confirming your method of payment

4A. CHEQUE / BANKER'S DRAFT

If you are subscribing for Ordinary Shares and paying by cheque or banker's draft, pin or staple to this form your cheque or banker's draft for the number of Ordinary Shares shown in Box 1 made payable to "CIS PLC RE: SDCL Energy Efficient Income Trust PLC OFS Application Acc" and crossed "A/C payee only". Cheques and banker's payments must be drawn in Sterling on an account at a bank branch in the United Kingdom and must bear a United Kingdom bank sort code number in the top right hand corner. If you use a banker's draft or a building society cheque you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the banker's draft or cheque and adds its stamp.

4B. ELECTRONIC BANK TRANSFER

If you are subscribing for Ordinary Shares and sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by 11.00 a.m. on 5 December 2018. Please contact Computershare by email at OFSpaymentqueries@computershare.co.uk for full bank details or telephone the Shareholder Helpline (+44 (0) 370 703 0018) for further information. Computershare will then provide you with a unique reference number which must be used when sending payment.

Please enter below the sort code of the bank and branch you will be instructing to make such payment for value by 11.00 a.m. on 5 December 2018, together with the name and number of the account to be debited with such payment and the branch contact details.

Sort Code:	Account Number:
Account Name:	Bank Name and Address:

4C. SETTLEMENT BY DELIVERY VERSUS PAYMENT (“DVP”)

Only complete this section if you choose to settle your application within CREST (i.e. by DVP).

Please indicate the CREST Participant ID from which the DEL message will be received by the Receiving Agent for matching, which should match that shown in section 2B above, together with the relevant Member Account ID.

(BLOCK CAPITALS)

CREST Participant ID:

CREST Member Account ID:

You or your settlement agent/custodian’s CREST Account must allow for the delivery and acceptance of Ordinary Shares to be made against payment at the Issue Price per Share, following the CREST matching criteria set out below:

Trade Date: 5 December 2018
 Settlement Date: 11 December 2018
 Company: SDCL Energy Efficiency Income Trust plc
 Security Description: Ordinary Shares
 SEDOL: BGHVZM4
 ISIN: GB00BGHVZM47

Should you wish to settle by DVP, you will need to match your instructions to the Receiving Agent’s Participant account 3RA10 by no later than 1.00 p.m. on 6 December 2018.

You must also ensure that you or your settlement agent/custodian have a sufficient “debit cap” within the CREST system to facilitate settlement in addition to your/their own daily trading and settlement requirements.

5. RELIABLE INTRODUCER DECLARATION

Completion and signing of this declaration by a suitable person or institution may avoid presentation being requested of the identity documents detailed in section 6 of this form.

The declaration below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the “firm”) which is itself subject in its own country to operation of ‘know your customer’ and anti-money laundering regulations which are no less stringent than those which prevail in the United Kingdom.



DECLARATION:

To the Company and the Receiving Agent

With reference to the holder(s) detailed in section 2A, all persons signing at section 3, and the payor identified in section 6 if not also a holder (collectively the “**subjects**”), WE HEREBY DECLARE:

1. we operate in the United Kingdom, or in a country where money laundering regulations under the laws of that country are, to the best of our knowledge, no less stringent than those which prevail in the United Kingdom and our firm is subject to such regulations;
2. we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;
3. each of the subjects is known to us in a business capacity and we hold valid identity documentation on each of them and we undertake to immediately provide to you copies thereof on demand;
4. we confirm the accuracy of the names and residential business address(es) of the holder(s) given at section 2A and if a CREST Account is cited at section 2B that the owner thereof is named in section 2A;
5. having regard to all local anti-money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the Ordinary Shares mentioned; and
6. if the payor and holder(s) are different persons, we are satisfied as to the relationship between them and the reason for the payor being different to the holder(s).

The above information is given in strict confidence for your own use only and without any guarantee, responsibility or liability on the part of this firm or its officials.

Signed:	Name:	Position:
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Name of regulatory authority:	Firm's licence number:
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Website address or telephone number of regulatory authority:
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STAMP of firm giving full name and business address:
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6. IDENTITY INFORMATION

If the declaration in section 5 cannot be signed and the value of your application is greater than EUR 15,000 (or the Sterling equivalent), please enclose with the Application Form the documents mentioned below, as appropriate. Please also tick the relevant box to indicate which documents you have enclosed, all of which will be returned by the Receiving Agent to the first named applicant.

Holders				Payor

Tick here for documents provided

In accordance with internationally recognised standards for the prevention of money laundering, the documents and information set out below must be provided:

A. For each holder being an individual, enclose:

- (1) an original or a certified clear photocopy of one of the following identification documents which bear both a photograph and the signature of the person: current passport – Government or Armed Forces identity card – driving licence; and
- (2) an original or certified copies of at least two of the following documents no more than 3 months old which purport to confirm that the address given in section 2A is that person’s residential address: a recent gas, electricity, water or telephone (not mobile) bill – a recent bank statement – a council rates bill – or similar document issued by a recognised authority; and
- (3) if none of the above documents show their date and place of birth, enclose a note of such information; and
- (4) details of the name and address of their personal bankers from which the Receiving Agent may request a reference, if necessary.

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B. For each holder being a company (a “holder company”), enclose:

- (1) a certified copy of the certificate of incorporation of the holder company; and
- (2) the name and address of the holder company’s principal bankers from which the Receiving Agent may request a reference, if necessary; and
- (3) a statement as to the nature of the holder company’s business, signed by a director; and
- (4) a list of the names and residential addresses of each director of the holder company; and
- (5) for each director provide documents and information similar to that mentioned in A above; and
- (6) a copy of the authorised signatory list for the holder company; and
- (7) a list of the names and residential/registered address of each ultimate beneficial owner interested in more than 5 per cent. of the issued share capital of the holder company and, where a person is named, also complete C below and, if another company is named (a “beneficiary company”), also complete D below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.

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C. For each person named in B(7) as a beneficial owner of a holder company, enclose for each such person documentation and information similar to that mentioned in A(1) to (4).

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D. For each beneficiary company named in B(7) as a beneficial owner of a holder company, enclose:

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(1) a certified copy of the certificate of incorporation of that beneficiary company; and

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(2) a statement as to the nature of that beneficiary company's business signed by a director; and

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(3) the name and address of that beneficiary company's principal bankers from which the Receiving Agent may request a reference, if necessary; and

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(4) a list of the names and residential/registered address of each beneficial owner owning more than 5 per cent. of the issued share capital of that beneficiary company.

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E. If the payor is not a holder and is not a bank providing its own cheque or banker's payment on the reverse of which is shown details of the account being debited with such payment (see note 5 of the notes on how to complete this form, below), enclose:

(1) if the payor is a person, for that person the documents mentioned in A(1) to (4); or

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(2) if the payor is a company, for that company the documents mentioned in B(1) to (7); and

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(3) an explanation of the relationship between the payor and the holder(s).

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The Receiving Agent reserves the right to ask for additional documents and information.

7. CONTACT DETAILS

To ensure the efficient and timely processing of this application, please enter below the contact details of a person whom the Receiving Agent may contact with all enquiries concerning this application. Ordinarily, this contact person should be the person signing in section 3 on behalf of the first named holder. If no contact details are provided in this section 7 but a regulated person is identified in section 5, the Receiving Agent will contact the regulated person. If no contact details are provided in this section 7 and no regulated person is named in section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact name:

E-mail address:

Contact address:

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Telephone No:

Postcode:

NOTES ON HOW TO COMPLETE THE OFFER FOR SUBSCRIPTION APPLICATION FORM

Applications should be returned to the Receiving Agent, Computershare Investor Services PLC, so as to be received no later than 11.00 a.m. (London time) on 5 December 2018.

HELP DESK: If you have a query concerning completion of this Application Form please call Computershare on 0370 707 4040 from within the UK or on +44 (0) 370 707 4040 if calling from outside the UK. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30 a.m. until 5.30 p.m. (London time) Monday to Friday excluding UK public holidays). The helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.

1. APPLICATION

Fill in (in figures) in Box 1 the number of Ordinary Shares that you wish to subscribe for at the Issue Price, which is £1.00 per Share. The amount being subscribed for must be a minimum of £1000, and thereafter in multiples of £100.

Financial intermediaries who are investing on behalf of clients should make separate applications in respect of each client or, if making a single application for more than one client, should provide details of all clients in respect of whom application is made, in order to benefit most favourably from any scaling back (should this be required) and/or from any commission arrangements.

2A. HOLDER DETAILS

Fill in (in block capitals) the full name and address of each holder. Applications may only be made by persons aged 18 years or over.

In the case of joint holders, only the first named holder may bear a designation reference, and the address given for the first named holder will be entered as the registered address for the holding on the share register and used for all future correspondence.

A maximum of four joint holders is permitted. All holders named must sign at section 3.

2B. CREST

If you wish your Ordinary Shares to be deposited in a CREST Account in the name of the holders given in section 2A, you should enter the details of that CREST Account in section 2B. Where it is requested that Ordinary 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 might be allotted and issued.

It is not possible for an applicant to request that Ordinary Shares be deposited in their CREST Account on an against payment basis. Any Application Form received containing such a request will be rejected.

3. SIGNATURE

All holders named in section 2A must sign section 3 and insert the date. The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or a bank) must be enclosed for inspection (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. A copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

4. SETTLEMENT

(a) Cheque/banker's draft

Payments must be made by cheque or banker's draft in Sterling drawn on a branch in the United Kingdom of a bank or building society which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited, or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided for members of any of these companies. Such cheques or banker's drafts must bear the appropriate sort code in the top right hand corner.



Cheques must be drawn on the personal account of the individual investor (i.e. an account in respect of which the individual has sole or joint title to the funds) and should be made payable to "CIS PLC RE: SDCL Energy Efficient Income Trust PLC OFS Application Acc". Third party cheques may not be accepted, with the exception of building society cheques or banker's drafts where the building society or bank has confirmed the name of the account holder by stamping and endorsing the cheque/banker's draft to such effect. The account name should be the same as that shown on the Application Form.

(b) Electronic bank transfers

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 5 December 2018. Please contact Computershare by email at: OFSPaymentQueries@computershare.co.uk for full bank details or telephone the Shareholder helpline on 0370 703 0018 from within the UK or on +44 (0) 370 707 4040 if calling from outside the UK for further information. Computershare will then provide you with a unique reference number which must be used when sending payment.

(c) CREST settlement

The Company will apply for the Ordinary Shares issued pursuant to the Offer in uncertificated form to be enabled for CREST transfer and settlement with effect from the date of Admission (the "**Settlement Date**"). Accordingly, settlement of transactions in the Ordinary Shares will normally take place within the CREST system.

The Application Form contains details of the information which the Receiving Agent will require from you in order 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 the Receiving Agent to match to your CREST Account, the Receiving Agent will deliver your Ordinary Shares in certificated form (provided that payment has been made in terms satisfactory to the Company).

The right is reserved to issue your Ordinary Shares in certificated form if the Company, having consulted with the Receiving Agent, considers 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 of the facilities and/or system operated by the Receiving Agent in connection with CREST.

The person named for registration purposes in your Application Form (which term shall include the holder of the relevant CREST Account) must be: (i) the person procured by you to subscribe for or acquire the relevant Ordinary Shares; or (ii) yourself; or (iii) a nominee of any such person or yourself, as the case may be. Neither the Receiving Agent nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. The Receiving Agent, on behalf of the Company, will input a DVP instruction into the CREST system according to the booking instructions provided by you in your Application Form. The input returned by you or your settlement agent/custodian of a matching or acceptance instruction to our CREST input will allow the delivery of your Ordinary Shares to your CREST Account against payment of the Issue Price per Share through the CREST system upon the Settlement Date.

By returning the Application Form, you agree that you will do all things necessary to ensure that your, or your settlement agent/custodian's, CREST Account allows for the delivery and acceptance of Ordinary Shares to be made prior to 8.00 a.m. on 5 December 2018 against payment of the Issue Price per Share. Failure by you to do so will result in you being charged interest at market rates.

To ensure that you fulfil this requirement, it is essential that you or your settlement agent/custodian follow the CREST matching criteria set out below:

Trade Date:	5 December 2018
Settlement Date:	11 December 2018
Company:	SDCL Energy Efficiency Income Trust plc
Security Description:	Ordinary Shares
SEDOL:	BGHVZM4
ISIN:	GB00BGHVZM47

Should you wish to settle by DVP, you will need to match your instructions to the Receiving Agent's Participant account 3RA10 by no later than 1.00 p.m. on 6 December 2018.

You must also ensure that you have 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.

In the event of late CREST settlement, the Company, after having consulted with the Receiving Agent, reserves the right to deliver Ordinary Shares outside CREST in certificated form (provided that payment has been made in terms satisfactory to the Company and all other conditions in relation to the Offer for Subscription have been satisfied).

5. RELIABLE INTRODUCER DECLARATION

Applications will be subject to the United Kingdom's verification of identity requirements. This means that you must provide the verification of identity documents listed in section 6 of the Application Form unless the declaration in section 5 is completed and signed by a firm acceptable to the Receiving Agent. In order to ensure that your application is processed timely and efficiently, you are strongly advised to have a suitable firm complete and sign the declaration in section 5.

6. IDENTITY INFORMATION

Applicants need only consider section 6 if the declaration in section 5 cannot be completed. However, even if the declaration in section 5 has been completed and signed, the Receiving Agent reserves the right to request of you the identity documents listed in section 6 and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application might be rejected or revoked. Where certified copies of documents are provided such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

7. CONTACT DETAILS

To ensure the efficient and timely processing of this application, please enter below the contact details of a person whom the Receiving Agent may contact with all enquiries concerning this application. Ordinarily, this contact person should be the person signing in section 3 on behalf of the first named holder. If no contact details are provided in this section 7 but a regulated person is identified in section 5, the Receiving Agent will contact the regulated person. If no contact details are provided in this section 7 and no regulated person is named in section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

INSTRUCTIONS FOR DELIVERY OF COMPLETED APPLICATION FORMS

Completed Application Forms should be returned together with payment in full in respect of the application either by post to Computershare Investor Services PLC (Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol, BS99 6AH) or by hand (during normal business hours) to the Receiving Agent (Corporate Actions Projects, The Pavilions, Bridgwater Road, Bristol, BS99 8AE) so as to be received no later than 11.00 a.m. on 5 December 2018.

If you post your Application Form you are recommended to use first class post and to allow at least two days for delivery. Application Forms received after this date may be returned.



