

GLI Finance Limited

COMPANY INFORMATION DISCLOSURE

Last updated: 15/09/2020

This document is available from the company website at www.glifinance.com

In conjunction with the website, this document contains all of the information which is necessary to comply with the requirements of Rule 26 of the AIM Rules for Companies – ‘Company information disclosure’.

Business Description

Overview

GLI Finance Limited ("Company" or "GLI" or "Group") is a Guernsey-domiciled loan company. GLI's ordinary shares are quoted on the AIM market operated by the London Stock Exchange (ticker GLIF), its 2019 zero-dividend preference ("ZDP") shares are listed and traded on the Main Market of the London Stock Exchange (ticker GLIZ), and its 2021 Unsecured Bonds are admitted to trading on the Official List of the Cayman Islands Stock Exchange ("CSX").

The Company was admitted to trading on the AIM market of the London Stock Exchange plc in August 2005 with an institutional offering of 38,000,000 shares at 100p. There was a subsequent offering of 5,000,000 shares at 101.75p in June 2007. In October 2009 the company completed a placing of 44,000,000 new ordinary shares at 25p and changed its name from T2 Income Fund Limited to Greenwich Loan Income Fund Limited. In April 2013 the Company changed its name from Greenwich Loan Income Fund Limited to GLI Finance Limited.

The Company's core trading business is Sancus BMS Group Limited which operates in the UK, Ireland, Jersey, Guernsey, Gibraltar and the Isle of Man, and is a hybrid lending business providing asset backed lending and alternative finance to SMEs. FinTech Ventures represents the Group's investments in a portfolio of SME focussed lending platforms and the valuation of FinTech Ventures as a proportion of the Group's gross assets has reduced to 5.8% as at 31 December 2019 (down from 14% in 2018).

As at 11 August 2020 the Company's issued ordinary share capital and total voting rights totalled 312,065,699 ordinary shares. No shares are held in treasury, and 7,925,999 ordinary shares are held by the Company's wholly owned subsidiary, Sancus BMS Group Limited.

Corporate Governance Code

Please refer to the Company's Corporate Governance Statement, found on the Company's website.

UK City Code on Takeover and Mergers

The rules set out in the UK City Code on Takeovers have a statutory basis in relation to Guernsey registered companies and as such the Company is subject to the code.

Shareholder information

The Company's accounting period year end is 31 December. Shareholders receive annual audited financial statements each year. Unaudited interim financial statements covering the period from 1 January to 30 June are distributed each year.

GOVERNANCE

Directors Names and Biographies

Andrew Whelan (CEO)

Andrew has over 25 years investment experience and is a Chartered Fellow of the Chartered Institute for Securities & Investment. Prior to founding Sancus in 2013, Andrew was a founding partner of Ermitage Group following its MBO in 2006 from Liberty Life, backed by Caledonia Investments. He left Ermitage following its successful sale to Nexar Capital Group in July 2011 and after a period of gardening leave joined International Asset Monitor as Managing Director to create a new Jersey branch. Andrew joined Liberty Ermitage in 2001 and was a Group Executive Director and Managing Director of Ermitage Global Wealth Management Jersey Limited. He was also CIO of Ermitage's Wealth Management business and products and during his 10 year tenure won multiple investment awards. Prior to Liberty Ermitage Andrew worked for Kleinwort Benson part of the Dresdner Private Banking Group (between 1994 – 2001) where he was a member of the Group's senior investment committee. He started his career with Morgan Grenfell in 1987.

Andrew has been recognised in the Citywealth Leaders List since 2007 and in 2019 was recognised in Jersey's Top 20 Professionals. He is also included in "The P2P Powers 50 – The most influential people in the UK's peer-to-peer lending sector" (Peer2Peer Finance News, 2018 and 2019). Andrew is resident in Jersey. Mr. Whelan was appointed to the Board on 16 December 2014 .

Emma Stubbs (Chief Financial Officer)

Emma joined GLI in November 2013 as Chief Financial Officer and was appointed to the GLI Board on 16 September 2014. Emma is also a Board member of Sancus BMS Group and a number of the subsidiary entities.

Prior to joining GLI, Emma was Head of Business Analysis and Projects at Sportingbet, an online gaming company from January 2007 to October 2013 where she was responsible for formulating strategy across Europe and Emerging Markets. She had a key role in providing business performance and analysis advice with regard to JVs, B2B, M&A and entering regulated markets. From November 2004 to January 2007 Emma worked as an Account Manager at Marsh Management Services (Guernsey) Limited, a Captive Insurance Company.

Emma is a Fellow member of the Association of Chartered Certified Accountants and qualified with Deloitte in 2004. She graduated from the University of the West of England with a BA Hons degree in Accounting and Finance. Emma is resident in Guernsey.

Patrick Anthony Seymour Firth (Independent Non-Executive Chairman)

Mr. Firth is a director of a number of offshore funds and management companies and until June 2009 was managing director of Butterfield Fulcrum (formerly Butterfield Fund Services (Guernsey) Limited). Prior to joining Butterfield Fund Services (Guernsey) Limited, Mr. Firth was head of operations and subsequently managing director of BISYS Fund Services (Guernsey) Limited, where he was responsible for the administration of both offshore and onshore (FSA regulated) funds. He is currently a director of the following listed entities: IGG-Longbow Senior Secured UK Property Debt Investments Limited, Riverstone Energy Limited and NextEnergy Solar Fund Limited (all listed on the main market of the London Stock Exchange), JZ Capital Partners Limited (admitted to trading on the Specialist Fund Market of the London Stock Exchange), Guernsey Portfolios PCC Limited, and Investec World Axis PCC Limited (admitted to the International Stock Exchange) and Global Private Equity One Limited which is admitted to the Bermuda Stock Exchange. Mr. Firth qualified as a Chartered Accountant with KPMG in 1990 having worked in the audit departments in Cambridge and Guernsey. Mr. Firth graduated from the University of Newcastle and received a Masters degree from Bath University.

Mr. Firth was appointed to the Board, the Audit and Risk Committee and Nomination Committee on 17 June 2005. He is a Guernsey resident. Mr Firth is Chairman of the Board.

John Whittle (Independent Non-Executive Director)

Mr Whittle has a background in large third party Fund Administration. He has worked extensively in high tech service industries and has in-depth experience of strategic development and mergers/acquisitions. He has experience of listed company boards as well as the private equity, property and fund of funds sectors. He is currently a director of International Public Partnerships Ltd (a member of the FTSE250), Starwood European Real Estate Finance Limited and India Capital Growth Fund Ltd (both listed on the main market of the London Stock Exchange), Chenavari Toro Income Fund Limited (admitted to trading on the Specialist Fund Segment of the London Stock Exchange) and two companies

admitted to trading on AIM, Aberdeen Frontier Markets Investment Company Limited and Globalworth Real Estate Investment.

Mr Whittle, a Chartered Accountant, has also served as Finance Director of Close Fund Services Limited (responsible for internal finance and client financial reporting), Managing Director of Hugh Symons Group PLC and Finance Director and Deputy MD of Talkland International Limited (now Vodafone Retail).

Mr. Whittle was appointed to the Board, the Audit and Risk Committee and the Remuneration Committee on 23 September 2016, after having served as an Alternate Director since December 2015. He is resident in Guernsey. Mr Whittle is Chairman of the Audit and Risk Committee, and of the Remuneration and Nomination Committee.

Nicholas Wakefield (Non-Executive Director)

Mr Wakefield is an Investment Director for the Somerston group of companies and Managing Director of Somerston Asset Management Limited. Mr Wakefield has 20 years investment experience in both private and public investments. He is a CFA and CMT charterholder. Mr Wakefield is also a Non-Executive Director of Amberton Asset Management Limited.

Mr. Wakefield was appointed to the Board on 4 June 2019. He is Jersey resident.

Board of Directors' Responsibilities

1 RESPONSIBILITIES

1.1 Board Meetings

- 1.1.1 The Executive Team is responsible for preparing reports to each quarterly meeting of the Board of the Company. Each is required to include in their reports information material to the operations of the Company.
- 1.1.2 The Company Secretary attends all Board meetings and, in conjunction with the Nomad, provides guidance on whether information disclosed in reports to the Board is required to be disclosed under the AIM Rules or the Market Abuse Regulation ("MAR").
- 1.1.3 All other directors are also required to exercise judgment as to whether material presented at Board meetings should be disclosed under the AIM Rules or MAR.
- 1.1.4 There is a standing item on each agenda regarding Director declarations of interest.
- 1.1.5 The Board shall appoint a Designated Director (under normal circumstances, the CEO, unless it is inappropriate to do so) to liaise with the Nomad at all times and in the event that the Designated Director is unavailable the Board shall make suitable arrangements for another Director to be available providing the Nomad with the appropriate contact details.
- 1.1.6 The Board must approve all disclosures under this Policy.

1.2 Between Board Meetings

- 1.2.1 Board members and members of the Company's Executive Committee are required to advise the Chairman, Company Secretary and the Nomad immediately they become aware of information which they believe should be disclosed under the AIM Rules or under MAR. For the purposes of this clause 1.21. this shall include but not be limited to:
 - 1.2.1.1 Proposals to pay or make any dividend or other distribution;
 - 1.2.1.2 Proposals to alter the Company's capital structure or borrowing requirements;

- 1.2.1.3 Proposals to acquire or dispose of assets otherwise than in the ordinary course of the Company's business;
 - 1.2.1.4 Proposals that will or might result in a change in the Company's officers;
 - 1.2.1.5 Making any preliminary announcement of final results or announcement of interim results; and
 - 1.2.1.6 proposals by the Directors to deal in any of the securities of the Company including the exercise of options and/or warrants
- 1.2.3 All persons under an obligation under this clause 1.2 are also obliged to ensure that they are conversant with what constitutes information material to the Company's share price, and they should contact the Nomad if they require guidance on this concept.
- 1.2.4 If it is not possible to convene a Board meeting to approve the announcement, the Company has adopted a procedure for the review, approval and timely publication of any press release before release to the market. In any event, the announcement shall be sent to all Board members prior to its release.

1.3 **Standing Requirements**

- 1.3.1 The Board will closely monitor the Company's existing financial reporting procedures. As soon as the Board is aware of any information which may require an announcement to be made under AIM Rule 11, the Nomad will be consulted immediately and an announcement shall be made without delay.
- 1.3.2 The Board or the Designated Director must as soon as reasonably practicable consult with the Nomad if the Company is considering to enter in to any substantial transaction falling within AIM Rule 12.
- 1.3.3 The Board or the Designated Director must discuss with and take advice from the Nomad and the Company's lawyers before entering into or agreeing to enter in to any transaction with a related party which exceeds 5% in any of the Class Tests and after consultation with the Nomad must issue a notification without delay as soon as the terms of the transaction with a related party are agreed disclosing the matters referred to in AIM Rule 13.
- 1.3.4 The Board or the Designated Director must discuss with and take advice from the Nomad as soon as reasonably practicable on any potential acquisition which may be a reverse takeover as defined by AIM Rule 14.
- 1.3.5 The Board or the Designated Director must discuss and seek guidance from the Nomad in respect of any disposal by the Company, which when aggregated with any other disposals or disposals over the previous 12 months exceeds 75% in any of the class tests as set out in AIM Rule 15.
- 1.3.6 The Board or the Designated Director must discuss with the Nomad and seek guidance in relation to the aggregation of any transactions for the purposes of determining whether AIM Rules 12, 13, 14, 15 and/or 19 apply.
- 1.3.7 The Board or the Designated Director must act without delay and give notice to the Nomad in respect of any matter warranting disclosure under AIM Rule 17 and be responsible for the appropriate announcement to be made.

- 1.3.8 The Chairman will ensure that under the Company's Share Dealing Policy (Code) no Director or Applicable Employee (as defined in the AIM Rules) will deal in the Company's securities in breach of the Code and in particular ensure that all Applicable Employees who are not Directors have been given a copy of the Code and will acknowledge that they have read and understood it.
- 1.3.9 The Board will provide to the Nomad on request a financial statement and management accounts for the Company and/or its subsidiaries made up to and as at the end of that month.
- 1.3.10 The Board or the Designated Director will notify the Nomad immediately if it becomes aware of any breach by the Company and/or any director of the AIM Rules and request the advice and guidance of the Nomad concerning all matters relevant to the Company's compliance with the AIM Rules.

1.4 **Process of Disclosure**

- 1.4.1 Once it has been determined that information must be disclosed, the Company Secretary or a Director is responsible for liaising with the Nomad to agree and approve required disclosure in order for the Nomad to disclose the information to an RIS provider as soon as is practicable.
- 1.4.2 Once an RIS provider has confirmed the release of the information to the market, the Company will post the information on its website and may disseminate the information to the media and/or public. It shall not do so until the confirmation from an RIS provider has been received.

Committees' Responsibilities

The Board of Directors has formed the following formally constituted committees:

- an Audit and Risk Committee, whose responsibilities include supervision and oversight of the financial reporting process as well as the relationship with the external auditor;
- a Remuneration and Nomination Committee, whose responsibilities include oversight and supervision of the Company's remuneration policy and the level and structure of the remuneration of senior management; reviewing the size, structure and composition of the Board, ensuring the leadership needs of the business are met and that an orderly process for the succession of directors is in place.



SHARE INFORMATION**Other exchanges or trading platforms where GLI Finance Limited securities are admitted or traded:**

The shares of GLI Finance Limited were admitted to listing on The International Stock Exchange (formerly the Channel Islands Securities Exchange ("CISE")) on 1 February 2011 and were de-listed from the CISE on 10 December 2013.

GLI's ZDP shares were admitted to the Official List of the UK Listing Authority (by way of a standard listing under Chapter 14 of the Listing Rules) and to the London Stock Exchange's main market for listed securities on 5 October 2015 with the ticker GLIZ.

GLI's 2021 Unsecured Bonds were admitted to trading on the Official List of the Cayman Islands Stock Exchange on 2 November 2016.

The number of securities in issue

As at 11 August 2020, the number of securities in issue (including treasury shares) was 312,065,699.

The number of securities held as treasury shares:

As at 11 August 2020, there were no shares held in treasury, and 7,925,999 ordinary shares were held by subsidiaries.

Percentage of AIM securities not in public hands:

As at 11 August 2020, in so far as it is aware, the percentage of AIM securities not in public hands was 48.35%.

Identity and percentage holdings of significant shareholders:

As at 11 August 2020, the identity and percentage holdings of significant shareholders holding more than 3% of the issued share capital of the Company was as follows:

| Significant Shareholders | Percentage of Holdings |
|-------------------------------------|-------------------------------|
| Somerston Group Limited | 26.60% |
| Philip J Milton & Company | 12.49% |
| Investec Wealth & Investment | 5.32% |
| DBH Global Holdings | 5.00% |
| AXA Framlington Investment Managers | 4.23% |
| Chelverton Asset Management | 3.14% |
| Andrew Whelan | 3.06% |

Directors and Related Parties

As at 11 August 2020, the Director/PDMR holdings were as follows:

| | | | |
|-------------------------------|-----------|--------|-------|
| Andrew Noel Whelan | 9,553,734 | shares | 3.06% |
| Emma Stubbs | 1,380,940 | shares | 0.44% |
| Dan Walker | 911,300 | shares | 0.29% |
| Patrick Anthony Seymour Firth | 278,669 | shares | 0.09% |
| John Whittle | 104,550 | shares | 0.03% |

Details of any restrictions on the transfer of AIM Securities:

The rights of the shareholders of GLI may be different from the rights of the shareholders of a company incorporated in the United Kingdom. There are no restrictions on the transfer of GLI ordinary or ZDP shares.

CONTACTS & ADVISORS

Country of Incorporation:

Guernsey

Main Country of Operation:

GLI Finance Limited is incorporated in Guernsey.

Company Registered Address & Number:

GLI Finance Limited
Block C
Hirzel Court
Hirzel Street
St Peter Port
Guernsey
GY1 2NL

Investor Services and Correspondence Address:

The Company Secretary
GLI Finance Limited
PO Box 296
Sarnia House
Le Truchot
St Peter Port
Guernsey, GY1 4NA
Phone + 44 1481 737 600
Fax: + 44 1481 749 829

Company Registered Number: 43260

Key advisors:

Nominated Adviser and Corporate Broker:

Liberum Capital
Ropemaker Place,
Level 12
25 Ropemaker Street
London
EC2Y 9LY

Auditors :

Deloitte LLP
P.O Box 137
Regency Court
Gategny Esplanade
St.Peter Port
Guernsey,
GY1 3HW

Company Secretary:

Praxis Fund Services Limited
P.O. Box 296
Sarnia House
Le Truchot
St Peter Port
Guernsey GY1 4NA
Channel Islands

Receiving Agent:

Link Market Services (Guernsey) Limited
Mont Crevelt House
Bulwer Avenue
St Sampson
Guernsey
GY2 4LH

Legal Advisors:

In the UK:

Stephenson Harwood
1 Finsbury Circus
London
EC2M 7SH
United Kingdom

Legal Advisors:

In the Channel Islands:

Carey Olsen
PO Box 98
Carey House
Les Banques
St Peter Port
Guernsey, GY1 4BZ
Channel Islands

Legal Advisors:

In the US:

Pepper Hamilton LLP
3000 Two Logan Square
Eighteen and Arch Streets
Philadelphia
PA 19103-2799
United States

Principal Bankers:

Barclays International
1st Floor, 39041 Broad Street
St Helier
Jersey
JE4 8NE

Public Relations:

Instinctif Partners Limited
65 Gresham Street
London
EC2V 7NQ
United Kingdom

The following information can be viewed at www.glifinance.com

- Constitutional documents (e.g. articles of incorporation)
- Most recent admissions document
- Most recent annual report
- Half yearly, quarterly or similar reports published since the last annual report
- Circulars / similar publications sent to shareholder within the last 12 months
- All notifications made in the last 12 months