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If you have sold or otherwise transferred all of your Shares, you should pass this document, together with the accompanying Form of Proxy, as soon as possible, to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.

GLI FINANCE LIMITED

(Incorporated in Guernsey with registered number 43260)

Proposed Placing of 34,500,000 Shares at 58 pence per Share

and

Notice of Extraordinary General Meeting

This document should be read in its entirety. Your attention is drawn to the letter from the Chairman of GLI Finance Limited which recommends that you vote in favour of the Resolution to be proposed at the Extraordinary General Meeting referred to below.

Notice of an Extraordinary General Meeting of the Company to be held at the Company's registered office, Sarnia House, Le Truchot, St. Peter Port, Guernsey GY1 4NA at 11.00 a.m. on 16 March 2015 or any adjournment thereof is set out at the end of this document. Shareholders are requested to complete and return the enclosed Form of Proxy. To be valid, the enclosed Form of Proxy must be completed and returned in accordance with the instructions printed thereon so as to be received as soon as possible by the Company's registrar, Equiniti Limited, FREEPOST RTHJ-CLLL-KBKU, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 8LU, UK, no later than 11.00 a.m. on 14 March 2015. The completion and return of the Form of Proxy will not prevent a Shareholder attending and voting at the Extraordinary General Meeting if he or she is entitled to do so.

This document does not constitute or form part of any offer or instruction to purchase, subscribe for or sell any shares or other securities in the Company nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with any contract therefor.

Panmure Gordon (UK) Limited, which is authorised and regulated by the Financial Conduct Authority, is acting for the Company and for no-one else in connection with the matters set out in this document and will not be responsible to anyone other than the Company for providing the protections afforded to customers of Panmure Gordon (UK) Limited or for affording advice in relation to the contents of this document or any matters referred to herein.

The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document and/or the accompanying Form of Proxy comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

CONTENTS

	<i>Page</i>
Expected Timetable	2
Placing Statistics	2
Part 1 - Letter from the Chairman	3
Part 2 – Definitions	8
Notice of Extraordinary General Meeting	

EXPECTED TIMETABLE

2015

Publication of this circular	24 February
Latest time and date for receipt of Forms of Proxy for EGM	11.00 a.m. on 14 March
Extraordinary General Meeting	11.00 a.m. on 16 March
Admission	8.00 a.m. on 17 March
Expected date for CREST accounts to be credited with the Placing Shares	17 March
Expected date for despatch of share certificates for the Placing Shares	17 March

References to times in this document are to times in London, England unless otherwise stated.

The above times and/or dates may be subject to change and, in the event of such change, the revised times and/or dates will be notified to Shareholders by an announcement through a regulatory information service.

PLACING STATISTICS

Placing Price	58 pence
Number of Shares in issue at the date of this document	172,960,021
Number of Placing Shares proposed to be issued pursuant to the Placing	34,500,000
Enlarged issued ordinary share capital	207,460,021
Gross proceeds of the Placing	£20.0 million

PART 1
LETTER FROM THE CHAIRMAN
GLI FINANCE LIMITED

(incorporated in Guernsey with registered number 43260)

Directors:

Patrick Firth *(Non-Executive Chairman)*
Geoffrey Miller *(Chief Executive Officer)*
Emma Stubbs *(Chief Financial Officer)*
Andrew Whelan *(Executive Director)*
Frederick Forni *(Non-Executive Director)*
James Carthew *(Non-Executive Director)*

Registered Office:

Sarnia House
Le Truchot
St. Peter Port
Guernsey
GY1 4NA
Channel Islands

24 February 2015

Dear Shareholder

1. Introduction

As announced on 23 and 24 February 2015, the Company is proposing to raise approximately £20.0 million (before expenses) by way of a placing to new and existing institutional and other investors. The Company has conditionally placed 34,500,000 Shares representing 16.6 per cent. of the Company's existing issued ordinary share capital at a price of 58 pence per new Share to raise gross proceeds of £20.0 million. Completion of the Placing is conditional, *inter alia*, upon Shareholder approval of a special resolution to disapply pre-emption rights in respect of the issue of the Placing Shares.

This letter explains why the Board believes that the Placing is in the best interests of the Company and the Shareholders as a whole and unanimously recommends that you vote in favour of the Resolution to be proposed at the Extraordinary General Meeting to be held at 11.00 a.m. on 16 March 2015 as the Directors intend to do in respect of their own holdings of Shares. The Notice convening this meeting is set out at the end of this document.

2. Background to and reasons for the Placing

Overview

The Company has, over the past few years, established itself as a leading player in the rapidly growing alternative finance sector. This shift in strategic focus began in 2011 with the acquisition of Asset Management Investment Company plc and the internalisation of the management, and accelerated in 2012 with the acquisition of BMS Finance. The Company has since made equity and debt investments in 15 further alternative lending platforms totalling £56.2 million across a variety of asset classes. In 2014, the Company added eleven platforms into its portfolio, including the acquisition of the entire issued share capital of Sancus for total consideration of £37.75 million completed in December 2014. The acquisition of Sancus

provides the Group with in-house loan origination and underwriting capability. During 2014, the Company also sold its remaining direct CLO investments and plans, over time, to sell its shareholding in Fair Oaks Income Fund, valued at \$35m as at today's date.

During 2014, the Company strengthened the management team. In addition to Chief Executive Geoff Miller and Chief Financial Officer Emma Stubbs, Marc Krombach joined as Managing Director, Louise Beaumont as Head of Marketing and Public Affairs and Andrew Whelan became Director of Lending after the acquisition of Sancus. Two members of the executive management team also joined the Board, with Emma Stubbs appointed a Director in September 2014 and Andrew Whelan joining the Board in December 2014. The acquisition of Sancus also brought additional managerial resource into the Group, with all critical functions having now been internalised.

Through its family of platforms, the Company is now a provider of finance to SMEs across three continents, with interests in eight platform companies in the UK, one in Jersey, two in Continental Europe, four in the USA and one in Africa. Momentum is building in terms of substantial deal flow originated by certain of the Group's platforms and there is the potential for this to be financed by third party capital, in addition to the Company's own balance sheet. The Board believes that applying this third party capital to loan investment through the platforms could provide the basis for adding significant value to the platforms and bring additional revenues into the business.

As announced on 17 February 2015, the Company has applied to the Guernsey Financial Services Commission to change its regulatory status from authorised closed-ended collective investment scheme to that of a non-regulated financial services business.

Market background and opportunity

Independent research (Nesta: University of Cambridge, Understanding Alternative Finance, The UK Alternative Finance Industry Report 2014) indicated that the alternative finance market in the UK was expected to grow to £1.7 billion in 2014, an increase of 161 per cent. compared with the prior year and representing approximately two per cent. of bank lending in the UK. Alternative finance accounts for 25 per cent. of all lending to SMEs; however the British Business Bank is targeting increasing this to 50 per cent. of such lending, of which online lending forms an important part.

Other recent market developments include some of the mainstream banks beginning to formalise relations with online platforms, interest from other jurisdictions to work with established platforms in the UK and US as well as the emergence of neutral portals as an additional source of finance for SMEs.

Interest from mainstream investment institutions is also growing in the area, albeit there are a limited number of means by which investors can gain exposure to the alternative finance sector. The investment community's interest in the sector is demonstrated by the IPOs on the NYSE of US-based companies Lending Club and On Deck Capital and P2P Global Investments PLC in the UK. The Board believes that further IPOs are likely over the next twelve months, reinforcing the argument that there is strong investor support for this growing asset class.

The Board believes that further momentum will be generated for the alternative finance industry, following confirmation from the Chancellor of the Exchequer in the 2014 Autumn Statement that peer-to-peer lending would be an ISA-eligible investment. Other legislative

support for the industry in the UK includes the requirement under the Small Business, Enterprise and Employment Bill, introduced in June 2014, for banks that reject funding applications from SMEs to refer them to alternative finance providers.

The Board welcomes the increased attention paid to the industry by home state regulators such as the FCA, covering areas such as platform capital adequacy and the requirement for platforms to provide clear explanations of products to lenders and borrowers alike. GLI and its family of platforms will maintain an active dialogue with the FCA on forming the shape of the future legislative environment, in advance of the FCA's 2016 regulatory review.

Growth strategy

The Board believes that the recent programme of investment in a broad range of platforms provides the Group with diversification by geography, duration and asset type. This also provides the Group with breadth and depth of market knowledge and deal flow and highly differentiated origination capability, with the potential to cross-refer opportunities across the platforms as well as roll out the platforms into other jurisdictions. The Board also believes that the platforms are beginning to benefit from shared learnings and access to shared resources at the GLI level. The Board believes that all of these attributes would be difficult for a new entrant to the market to replicate.

GLI is also seeking to source capital from third parties and, as announced on 17 February 2015, the Board is exploring the possible flotation of an independent investment company (the "Fund") in response to investor demand. The Fund would invest in a diversified portfolio of loans to SMEs originated principally by the Company's family of lending businesses. The Board believes that this would enable GLI to capitalise on the depth of expertise that exists in-house in areas such as credit analysis and assessment of underwriting risk.

The Fund's aim would be to provide investors with access to the fast expanding alternative finance market, leveraging GLI's position in terms of its experience, knowledge and day to day involvement as one of the broadest investors in the alternative finance sector.

The Fund would target a high single digit yield for investors, whilst providing GLI with further scalable origination and revenue-generating capability.

Use of Placing proceeds

The Board will use the net proceeds from the Placing to fund further growth in the loan books of the platforms as well as for direct investment by the Group in loans originated by the platforms. The Board will also use the proceeds from the Placing to repay certain loans and to provide further equity for the platforms, enabling them to build their business development capabilities, develop and introduce further new products and expand into new jurisdictions.

Current trading

As announced on 17 February 2015, the Company's unaudited NAV per Share as at 31 December 2014 was 51.00p, an increase of 5.5% from the unaudited NAV per Share of 48.32p as at 30 September 2014. The increase was driven by an uplift in the valuation of the Company's shareholdings in its platforms.

Financial strategy

The Board is targeting growth in the Group's cash dividend cover through net interest generated by its loan portfolio in addition to potential revenues from the Fund. The additional income generated from the Fund would, ultimately, reduce the requirement of the Group to continue to finance expansion of the platforms' loan books through continued equity issuance by GLL. The Board will also seek to grow overall return on equity through growth in platform equity exceeding the weighted average cost of debt and ZDPs, currently 8.1 per cent.

At 31 December 2014, the Company's unaudited gross assets were £132 million, funded by balance sheet equity of £88 million, ZDPs in issue with accrued value of £20 million and bank and other third party debt of £23 million.

The Group expects to announce its full year results for the year ended 31 December 2014 on or around 26 March 2015.

3. The Placing

On 23 February 2015, Panmure Gordon undertook an accelerated bookbuild process in respect of the Placing and conditionally placed 34,500,000 Placing Shares (which represents 16.6 per cent. of the Company's issued ordinary share capital at the date of this document) at the Placing Price with new and existing institutional and other investors, to raise gross proceeds of approximately £20.0 million.

The Placing Price represents a discount of approximately 7.4 per cent. to the price of 62.625 pence per Share (being the closing price of the Company's Shares on 20 February 2015, being the latest practicable date prior to announcement of the accelerated bookbuild process) and a premium of approximately 13.7 per cent. to the Company's unaudited NAV per Share as at 31 December 2014.

The Placing Shares will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing ordinary shares of the Company.

The Placing is conditional upon, inter alia, Shareholder approval of the Resolution and Admission becoming effective. The Placing is also conditional upon the placing agreement between the Company and Panmure Gordon becoming unconditional and not being terminated.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM and it is expected that trading in the Placing Shares will commence on AIM at 8.00 a.m. on 17 March 2015.

An application has been made to the Jersey Financial Services Commission (the "Commission") for consent to the Company to circulate in Jersey an offer for subscription, sale or exchange of its ordinary shares pursuant to Article 8(2) of the Control of Borrowing (Jersey) Order 1958. The Commission is protected by the Control of Borrowing (Jersey) Law 1947 against liability arising from the discharge of its functions under that law. It must be distinctly understood that, in giving the Consent the Commission takes no responsibility for the financial soundness of the Company or for the correctness of any statements made, or opinions expressed, with regard to it.

4. Extraordinary General Meeting

The Resolution

The Articles prohibit the issue of Shares for cash without first offering those Shares to existing Shareholders unless such pre-emption rights are disapplied by Shareholders in general meeting. Accordingly, a special resolution will be proposed at the Extraordinary General Meeting to disapply pre-emption rights in respect of 34,500,000 Placing Shares proposed to be issued pursuant to the Placing. The Resolution requires 75 per cent. of those members present (whether in person or by proxy) and voting to vote in favour of it, in order for it to be passed.

Action to be taken

A notice convening the Extraordinary General Meeting of the Company, which is to be held at 11.00 a.m. on 16 March 2015, is set out at the end of this document. Whether or not you intend to be present at the Extraordinary General Meeting, Shareholders are requested to complete and return the accompanying Form of Proxy in accordance with the instructions printed thereon, so as to be received as soon as possible and, in any event, no later than 11.00 a.m. on 14 March 2015. The completion and return of the Form of Proxy will not preclude you from attending the meeting and voting in person should you so wish.

5. Recommendation

The Board believes that the Placing is in the best interests of the Company and the Shareholders as a whole and unanimously recommends that you vote in favour of the Resolution to be proposed at the Extraordinary General Meeting to be held at 11.00 a.m. on 16 March 2015.

The Directors intend to vote in favour, or procure the vote in favour, of the Resolution in respect of their beneficial holdings of Shares which, in aggregate, amount to 2,566,002 Shares representing approximately 1.5 per cent. of the Company's issued ordinary share capital.

Yours faithfully

Patrick Firth
Chairman

PART 2
DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

"Admission"	the admission of the Placing Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
"AIM"	the AIM market, operated by the London Stock Exchange
"AIM Rules"	the AIM Rules for Companies, published by the London Stock Exchange
"Articles"	the articles of incorporation of the Company, adopted by special resolution on 12 December 2014
"BMS Finance"	BMS Finance AB Limited
"Board" or "Directors"	the board of directors of the Company, including a duly constituted committee thereof
"CLO"	collateralised loan obligations
"Extraordinary General Meeting" or "EGM"	the extraordinary general meeting of the Company to be held at 11.00 a.m. on 16 March 2015, or any adjournment thereof
"FCA"	Financial Conduct Authority
"Form of Proxy"	the form of proxy to be used by Shareholders in connection with the EGM which accompanies this document
"GLI" or the "Company"	GLI Finance Limited
"Group"	the Company and its subsidiaries
"London Stock Exchange"	London Stock Exchange plc
"NAV per Share"	the net asset value of a Share as calculated in accordance with the Company's normal accounting policies
"NYSE"	New York Stock Exchange
"Notice"	the notice of the Extraordinary General Meeting set out at the end of this document
"Panmure Gordon"	Panmure Gordon (UK) Limited
"Placing"	the conditional placing of 34,500,000 Shares to institutional investors at the Placing Price as described in this document

"Placing Price"	the price at which Shares will be issued pursuant to the Placing, being 58 pence per Share
"Placing Shares"	the Shares proposed to be issued pursuant to the Placing
"Resolution"	the special resolution to be proposed at the EGM as set out in the Notice
"Sancus"	Sancus Limited
"Shareholders"	holders of Shares
"Shares"	ordinary shares of no par value in the capital of the Company
"SME"	small to medium-sized enterprise
"ZDP"	redeemable zero dividend preference shares of no par value each in the capital of the Company

NOTICE OF EXTRAORDINARY GENERAL MEETING

GLI FINANCE LIMITED

(a closed-ended company incorporated in Guernsey with registered number 43260)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of GLI Finance Limited (the "**Company**") will be held at the Company's registered office, Sarnia House, Le Truchot, St. Peter Port, Guernsey GY1 4NA at 11.00 a.m. on 16 March 2015 for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a Special Resolution:

Special Business - Special Resolution

THAT the directors be and they are hereby empowered to allot Shares for cash as if article 8.2 of the Company's articles of incorporation did not apply to such allotment provided that the power conferred by this resolution shall be limited to the allotment of 34,500,000 new ordinary shares of no par value in the capital of the Company ("**Shares**") in connection with the Placing and unless previously renewed, revoked, varied or extended this power shall expire on the conclusion of the next annual general meeting of the Company except that the Company may before the expiry of this power make an offer or agreement which would or might require Shares to be allotted after such expiry and the directors may allot Shares in pursuance of such offer or agreement as if this power had not expired.

By order of the Board
24 February 2015

Registered Office
Sarnia House
Le Truchot
St. Peter Port
Guernsey
GY1 4NA

Notes:

1. Any shareholder entitled to attend, speak and vote at the meeting is entitled to appoint one or more proxies to attend, speak and, on a poll, vote instead of him. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the shareholder. A shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way. A proxy may be an individual or a body corporate who need not be a shareholder of the Company.
2. In the case of a shareholder which is a company, the instrument appointing a proxy must be executed under the shareholder's common seal (or in any other manner permitted by law and having the same effect as if executed under seal) or under the hand of a duly authorised officer, attorney or other person.
3. The Form of Proxy, together with, if appropriate, any power of attorney or other authority or a notarially certified copy of any power of attorney or other authority (if any) under which it is signed, must be deposited at the Company's registrars, Equiniti Limited, FREEPOST RTHJ-CLLL-KBKU, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 8LU not later than 48 hours before the time appointed for holding the meeting.
4. To appoint more than one proxy to vote in relation to different shares within your holding you may photocopy the form. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which in aggregate should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All Forms of Proxy must be signed and should be returned together in the same envelope.

5. In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority will be determined by the order in which the names stand in the register of shareholders in respect of the joint holding.
6. Any corporation which is a shareholder of the Company may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any class of shareholders of the Company and the person so authorised shall be entitled to exercise the same power on behalf of the corporation which he represents as that corporation could exercise if it were an individual shareholder of the Company.
7. To change your proxy instructions, simply submit a new proxy appointment using the method set out above. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. Please note that the cut-off time for receipt of proxy appointments also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
8. Return of a completed Form of Proxy will not preclude a shareholder from attending and voting personally at the meeting. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
9. Only shareholders registered in the register of shareholders of the Company 48 hours before the time fixed for the meeting or adjourned meeting shall be entitled to attend, speak and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after such time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
10. The quorum for a meeting of shareholders is two or more shareholders (provided that they are entitled to vote on the business to be transacted at the meeting) present in person or by proxy and holding 5 per cent. or more of the voting rights available at such meeting.
11. If, within half an hour from the appointed time for the meeting, a quorum is not present, the meeting shall stand adjourned to such time and place as the Board may determine. If at the adjourned meeting a quorum is not present within 30 minutes after the time appointed for the holding of the meeting, the meeting shall be dissolved.
12. The majority required for the passing of the special resolution is not less than seventy five per cent (75 per cent.) of the total number of votes cast in favour of the resolution.
13. If the resolution is duly passed at the meeting (or any adjourned meeting), and other necessary formalities are completed, this will result in the proposed resolution becoming binding on each shareholder in the Company whether or not they voted in favour of the resolution, or voted at all.
14. To allow effective constitution of the meeting, if it is apparent to the chairman that no shareholders will be present in person or by proxy, other than by proxy in the chairman's favour, then the chairman may appoint a substitute to act as proxy in his stead for any shareholder, provided that such substitute proxy shall vote on the same basis as the chairman.
15. Terms defined in the circular to shareholders dated 24 February 2015 shall, unless the context otherwise requires, bear the same meaning when used in this Notice.