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If you have sold or otherwise transferred all of your Ordinary Shares or 2019 ZDP Shares (as appropriate) in GLI Finance Limited (the “Company” or “GLI”), you should pass this document, together with the accompanying documents, 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.

The distribution of this document, and the accompanying documents, 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, Prospectus and, if applicable, Application Form 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.

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# **GLI FINANCE LIMITED**

*(a non-cellular company limited by shares incorporated in Guernsey with registered number 43260)*

## **Proposed issue of new 2020 zero dividend redeemable preference shares, adoption of new articles of incorporation and disapplication of pre-emption rights in connection with a proposed issue of up to £30 million of convertible unsecured bonds**

**and**

## **Notice of Extraordinary General Meeting**

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This document should be read in its entirety. Your attention is drawn to the Letter from the Chairman of the Company which recommends that you vote in favour of the Resolutions 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 1GR at 10.00 a.m. on 21 December 2015 or any adjournment thereof is set out at the end of this document. Ordinary 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, no later than 10.00 a.m. on 19 December 2015. The completion and return of the Form of Proxy will not prevent an Ordinary 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 (“Panmure Gordon”), 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 or for affording advice in relation to the contents of this document or any matters referred to herein.

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## EXPECTED TIMETABLE

2015

Publication of this circular	3 December
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 19 December
Extraordinary General Meeting	10.00 a.m. on 21 December
Effective date of adoption of New Articles	21 December

*References to times in this document are to times in London 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.*

## PART 1

### LETTER FROM THE CHAIRMAN

# GLI FINANCE LIMITED

*(a company incorporated in Guernsey with registered number 43260)*

*Directors:*

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

*Registered Office:*

Sarnia House  
Le Truchot  
St. Peter Port  
Guernsey  
GY1 1GR  
Channel Islands

3 December 2015

*To Ordinary Shareholders*

*To ZDP Shareholders*

Dear Shareholder

## **1. Introduction**

### ***Background to the Proposals***

Your Board announced on 17 November 2015 that the Company was considering the issue of further securities to refinance certain existing borrowings as well as to provide additional working and growth capital.

Pursuant to a loan agreement dated 15 September 2014, as amended, between the Company (as borrower), Sancus (as facility agent and security trustee) and each of Sancus, Sancus (Gibraltar) Limited and other parties named therein as lenders (as lenders), the lenders made available to the Company a sterling secured term loan facility in an aggregate amount equal to £30million (the “Loan Facility”). Interest is payable on the Loan Facility at the rate of 11 per cent. per annum. As at the date of this document, the balance outstanding on the Loan Facility is £24.89 million.

The purpose of this letter is to provide you with details of: (i) a proposed issue of new 2020 zero dividend redeemable preference shares (“2020 ZDP Shares”), which requires the approval of Ordinary Shareholders, in order to repay all or part of the Loan Facility and, to the extent that the net proceeds of that issue are sufficient, to provide additional growth capital; and (ii) a potential issue of convertible unsecured bonds (“CULS”) to replace the Loan Facility, which requires the approval by Ordinary Shareholders of a resolution to waive pre-emption rights, (together the “Proposals”).

During the last year your Board has positioned itself to benefit from the rapid expansion, innovation and development of the alternative (i.e. non-bank) commercial funding sector, avoiding consumer loans. As the sector matures it is becoming increasingly regulated in several jurisdictions (which creates barriers to entry for potential new competitors who need to bear the cost of compliance before they are able to generate business). GLI is actively promoting the adoption of best practices across its family of Platforms, seeking a competitive edge over direct local competitors.

The establishment of GLI Asset Management Limited, a wholly-owned subsidiary of the Company, as an asset manager and its appointment as manager of GLI Alternative Finance PLC (“GLI Alt Fi”), an investment trust, enables GLI to generate fund management income, while investors in GLI Alt Fi benefit from the flow of loan proposals generated by GLI’s family of Platforms. Conversely, GLI’s family of Platforms benefit from the availability of capital to invest in the loans they generate, making these Platforms more attractive to business borrowers helping them to achieve growth while being selective about the credit quality of borrowers.

As the alternative finance sector grows in size and geographical spread your Board believes that it will become less ‘alternative’ and increasingly a ‘first call’ source of funding. If GLI is to maintain its position in the alternative finance space, it requires additional capital to expand its loan portfolio, which is mostly sourced through its family of Platforms, as well as to continue to invest in those Platforms and, if suitable opportunities arise, to make further Platform investments.

GLI Alt Fi is expected to expand, issuing new equity to fund a growing loan portfolio, which it is anticipated should benefit GLI’s family of Platforms. However, there will be times when GLI Alt Fi is fully invested and there are other loan opportunities which do not meet GLI Alt Fi’s criteria. With additional capital, GLI could grow its own loan portfolio, thereby helping its family of Platforms to maintain or increase their growth momentum and accumulating loans which could be retained by GLI for its own account or used to establish other new managed funds.

GLI is therefore currently seeking to increase the capital available for these growth plans by the issue of CULS described below, which would be used to replace the Loan Facility. In addition, to the extent that the net proceeds of the issue of 2020 ZDP Shares were in excess of the amount required to repay the Loan Facility, the excess would also be used to fund GLI’s growth plans.

GLI’s ability to raise debt is limited, save with ZDP Shareholder consent, to £30 million (plus certain other, mainly short term, borrowings). As explained above, its current Loan Facility bears interest at 11 per cent. per annum. Your Board is exploring the possibility of replacing this with convertible unsecured bonds, at a lower running interest cost. The conversion price of such CULS would be above the market price of Ordinary Shares as at the date of issue. If converted, such funding would become permanent capital, but on a less dilutive basis than would be the case if new Ordinary Shares were issued at today’s Ordinary Share price.

### ***The Proposals***

Your Board today announced proposals to issue, by way of a Placing and Open Offer (together the “Issue”), up to 40 million 2020 ZDP Shares for the purposes described above. The Company has today published a prospectus in connection with the proposed Issue (the “Prospectus”). The 2020 ZDP Shares are, subject to the satisfaction of certain conditions, being made available at the issue price of 100 pence per share to existing Ordinary Shareholders and ZDP Shareholders on the register as at the record date of 6.00 p.m. on 1 December 2015. The 2020 ZDP Shares are also being made available pursuant to the Placing.

In addition to the Placing and Open Offer of 2020 ZDP Shares, the Prospectus provides for a Placing Programme of new 2020 ZDP Shares in order to provide finance to help to maintain your Company’s position in a rapidly growing market. The maximum number of 2020 ZDP Shares which may be issued pursuant to the Placing Programme is 40 million less the number of 2020 ZDP Shares issued pursuant to the Issue.

The Issue and the Placing Programme require the approval of Ordinary Shareholders for the adoption of the New Articles to reflect the creation of a new class of 2020 ZDP Shares and to provide for the rights attached to the 2020 ZDP Shares. As the 2019 ZDP Shares will rank in priority to the new 2020 ZDP Shares, the consent of ZDP Shareholders is not required in connection with the Issue and the adoption of the New Articles.

The protections afforded to ZDP Shareholders permit (without ZDP Shareholder consent) borrowings of up to £30 million (which limit does not apply to certain borrowings, such as borrowings arranged to redeem ZDP Shares or to refinance existing borrowings). As the proceeds of the CULS issue would be used to replace the Loan Facility and borrowings will be kept below the £30 million limit, the consent of ZDP Shareholders is not required for the issue of any CULS.

The arrangements for replacing the Loan Facility with convertible debt can only proceed if Ordinary Shareholders vote at the forthcoming Extraordinary General Meeting to waive pre-emption rights to enable the new Ordinary Shares to be issued on conversion to be allotted to holders of CULS without first being offered to all Ordinary Shareholders.

## **2. 2020 ZDP Shares**

The 2020 ZDP Shares will be a new class of shares. The rights attaching to the 2020 ZDP Shares will, conditional on the passing of Resolution 1 to be proposed at the EGM, be set out in the New Articles and are also set out in Part 2 of this document. The 2020 ZDP Shares have a redemption value of 143.563 pence on their Maturity Date of 22 December 2020 compared to an initial right to capital of 100 pence per share at issue. The return over the period is expected to be equivalent to a gross annual return of 7.5 per cent. over their five year life.

Applications will be made to the UK Listing Authority and to the London Stock Exchange respectively for admission of the 2020 ZDP Shares to be issued pursuant to the Issue to: (i) the Official List (by way of a Standard Listing under Chapter 14 of the Listing Rules); and (ii) trading on the London Stock Exchange's main market for listed securities.

## **3. The Issue and the Placing Programme**

### ***Overview of the Issue***

The Company is seeking to raise up to £40 million pursuant to the Placing and the Open Offer. To the extent that fewer than 40 million 2020 ZDP Shares are issued pursuant to the Issue, the Company may issue such number of shares via the Placing Programme.

The issue price for the 2020 ZDP Shares to be issued pursuant to the Issue is 100 pence per share (the "Issue Price").

### ***The Open Offer***

Up to 20 million 2020 ZDP Shares will be offered to existing Ordinary Shareholders and ZDP Shareholders by way of the Open Offer. The Open Offer is structured to allow Ordinary Shareholders and ZDP Shareholders to subscribe for Open Offer Shares at the Issue Price *pro rata* to their holdings of Ordinary Shares and/or 2019 ZDP Shares on the basis of 0.08498 2020 ZDP Shares for each Ordinary Share and/or 2019 ZDP Share held on the register as at the record date of 6.00 p.m. on 1 December 2015 (the "Basic Entitlement").

Ordinary Shareholders and ZDP Shareholders may also make applications in excess of their Basic Entitlements. To the extent that Basic Entitlements are not subscribed by Shareholders, such Open Offer Shares will be available to satisfy such excess applications. In addition, to the extent that applications are received in respect of an aggregate of more than 20 million Open Offer Shares, any 2020 ZDP Shares not taken up under the Placing would be made available, but if excess applications exceed the aggregate of the number of 2020 ZDP Shares being made available pursuant to the Open Offer, being 20 million, plus any 2020 ZDP Shares not taken up under the Placing, they would be scaled back accordingly. Any 2020 ZDP Shares not taken up under the Open Offer will be made available under the Placing.

Further details as to how Ordinary Shareholders and ZDP Shareholders can apply for 2020 ZDP Shares are set out in the Prospectus.

### ***The Placing***

2020 ZDP Shares will also be made available to investors under the Placing. The Company and Panmure Gordon have entered into the Placing Agreement pursuant to which Panmure Gordon has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers for the 2020 ZDP Shares made available under the Placing. The maximum number of 2020 ZDP Shares available under the Placing is 20 million plus any 2020 ZDP Shares not taken up under the Open Offer.

### ***Conditions to the Issue***

The Issue is conditional on, *inter alia*: (i) the approval of Ordinary Shareholders of Resolution 1 to be proposed at the EGM; (ii) Admission having become effective at or before 8.00 a.m. on 22 December 2015 or such later time and/or date as the Company and Panmure Gordon may agree (being not later than 8.00 a.m. on 29 January 2016); and (iii) the Placing Agreement becoming unconditional in all respects (save for any conditions as to Admission) and not having been terminated in accordance with its terms prior to Admission.

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

Pursuant to the Placing Programme, conditional on the passing of Resolution 1 to be proposed at the EGM, the Company may issue up to such number of 2020 ZDP Shares as is equal to 40 million less the number of 2020 ZDP Shares issued pursuant to the Issue. The Placing Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue 2020 ZDP Shares over a period of time. The Placing Programme is intended to satisfy continued market demand for the 2020 ZDP Shares and to raise further money to provide GLI with additional capital primarily to expand its loan portfolio which is mostly sourced through its family of Platforms, as well as to continue to invest in those Platforms and, if suitable opportunities arise, to make further Platform investments.

2020 ZDP Shares will, subject to the Company's decision to proceed with an allotment at any given time, be made available at the Placing Programme Price to investors, being not less than the aggregate of the Accrued Capital Entitlement per 2020 ZDP Share at the time of the relevant allotment plus an amount sufficient to cover the costs and expenses of such issue, including any placing commission.

#### **4. Adoption of the New Articles**

New articles of incorporation need to be adopted in order to reflect the creation of the new class of 2020 ZDP Shares and to provide for the rights attached to such shares. Please see Part 2 of this document containing the provisions proposed to be adopted in the New Articles.

A copy of the New Articles and a copy of the Articles will be available at the EGM and will also be available for inspection at the registered office of the Company at any time from the date of this document until the date of the EGM.

#### **5. CULS**

As explained above, your Company is permitted (without ZDP Shareholder consent) to raise up to £30 million of debt (in addition to certain, mainly short term, borrowings) and is considering a possible issue of CULS to replace the Loan Facility. The Directors believe that an issue of CULS will have a number of advantages, in particular:

- CULS will provide long-term structural gearing at a lower fixed cost than the Company's existing borrowings (the Loan Facility);
- following any conversion of CULS, the Company would have an increased number of Ordinary Shares in issue, enlarging the Company's capital base and enabling the Group to hold a larger and more widely diversified loan portfolio and better funded Platforms; and
- by granting the right to convert the CULS into Ordinary Shares at a premium to the current share price, if the holders of CULS exercised their conversion rights, such funding would become permanent capital, but diluting net assets per Ordinary Share by less than would be the case if new Ordinary Shares were issued at today's Ordinary Share price.

Ordinary Shareholders' approval is required for the waiver of pre-emption rights to permit new Ordinary Shares to be issued on conversion of the CULS. As the conversion price is not known at the date of this document and is likely to be adjusted in certain circumstances (such as on the payment of dividends or in the event of a bonus issue or rights issue) the Company is seeking authority to dis-apply the pre-emption rights in the New Articles in respect of a larger number of new Ordinary Shares than is currently expected to arise on conversion of the CULS. This would give your Board the ability and flexibility to make arrangements for the issue without incurring the delays and complexities which could arise if a further extraordinary general meeting had to be convened. Accordingly, the Company is seeking authority, pursuant to Resolution 2 to be proposed at the EGM, to dis-apply pre-emption rights in respect of up to 60 million new Ordinary Shares arising on conversion of the CULS.

## **6. The Resolutions**

### ***Resolution 1 – to adopt the New Articles***

The adoption of the New Articles requires Ordinary Shareholder approval in accordance with the Articles. Under The Companies (Guernsey) Law, 2008 a resolution to adopt new articles of incorporation can only be passed by way of a special resolution. Accordingly, Resolution 1 to be proposed at the EGM will be proposed as a special resolution.

### ***Resolution 2 – to dis-apply pre-emption rights***

Under the New Articles, a special resolution is required to dis-apply the pre-emption rights that would otherwise arise by virtue of the New Articles on the issue of CULS which have attached thereto the right to convert into new Ordinary Shares. Resolution 2 to be proposed at the EGM will therefore also be proposed as a special resolution.

A special resolution requires not less than seventy five per cent. (75 per cent.) of those Ordinary Shareholders present (whether in person or by proxy) and voting to vote in favour of it in order for it to be passed.

## **7. Action to be taken**

### ***Form of Proxy required in connection with the EGM***

A notice convening an Extraordinary General Meeting of the Company, which is to be held at 10.00 a.m. on 21 December 2015, is set out at the end of this document. Whether or not they intend to be present at the Extraordinary General Meeting, Ordinary 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 10.00 a.m. on 19 December 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.

The consent of ZDP Shareholders is not required for the Proposals and holders of 2019 ZDP Shares will not (unless they also hold Ordinary Shares) receive a Form of Proxy or be entitled to attend or vote at the Extraordinary General Meeting.

### ***Open Offer***

Ordinary Shareholders and ZDP Shareholders (save for those with an address in a Restricted Jurisdiction) will find enclosed with this document a copy of the Prospectus. Those Shareholders who hold their Shares in certificated form will also find enclosed an Application Form for use in connection with the Open Offer.

The action to be taken by you in respect of the Open Offer depends on whether you hold your Ordinary Shares and/or 2019 ZDP Shares in certificated or uncertificated form. Full details of how to apply for 2020 ZDP Shares under the Open Offer are set out in Part VI of the Prospectus.

Shareholders who do not wish to apply for 2020 ZDP Shares under the Open Offer should take no action in relation to the Open Offer.

## **8. Costs of the Proposals**

The net proceeds of the Issue are dependent on the level of take up under the Issue. On the assumption that 40 million 2020 ZDP Shares are issued pursuant to the Issue, the expenses of the Issue and Admission are expected to be approximately £1.2 million and will be met out of the gross proceeds of the Issue, reducing the net proceeds to an estimated £38.8 million.

Any 2020 ZDP Shares issued pursuant to the Placing Programme will be issued at a price which is not less than the aggregate of the Accrued Capital Entitlement of a 2020 ZDP Share at the time of the relevant allotment plus an amount sufficient to cover the costs and expenses of such issue, including any placing commission.

The costs of a successful issue of CULS will be deducted from the gross proceeds of such an issue.

## **9. Recommendation**

The Board believes that the Proposals are in the best interests of the Company and Shareholders as a whole and unanimously recommends that you vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting to be held at 10.00 a.m. on 21 December 2015.

The Directors intend to vote in favour, or procure the vote in favour, of the Resolutions at the Extraordinary General Meeting in respect of their own beneficial holdings of Ordinary Shares which, in aggregate, amount to 6,995,257 Ordinary Shares, representing approximately 3.26 per cent of the Company's issued Ordinary Shares.

Yours faithfully

**Patrick Firth**  
*Chairman*

## PART 2

### PROVISIONS PROPOSED TO BE ADOPTED IN THE NEW ARTICLES

The rights attaching to the 2020 ZDP Shares will be set out in the New Articles which contain provisions to the following effect:

#### 1.1 Rights as to dividends

The 2019 ZDP Shares and the 2020 ZDP Shares carry no rights to receive dividends out of the revenue or any other profits of the Company.

#### 1.2 Rights as to capital

1.2.1 The assets of the Company available for distribution to members after payment of all of the Company's liabilities in full will be applied as follows (and in each case distributed among the holders of shares of each class rateably according to amounts paid up on such shares held by them):

1.2.2

- (a) first, there shall be paid to the holders of 2019 ZDP Shares an amount equal to 100 pence per 2019 ZDP Share as increased each day from the Issue Date up to and including the Maturity Date at the daily compound rate which results in the Final Capital Entitlement per 2019 ZDP Share on the Maturity Date, and increasing thereafter (in the event that any 2019 ZDP Shares are not redeemed by the Maturity Date) on the same compounded basis in respect of any 2019 ZDP Shares not so redeemed;
- (b) second, there shall be paid to the holders of 2020 ZDP Shares an amount equal to 100 pence per 2020 ZDP Share as increased each day from the Issue Date up to and including the Maturity Date at the daily compound rate which results in the Final Capital Entitlement per 2020 ZDP Share on the Maturity Date, and increasing thereafter (in the event that any 2020 ZDP Shares are not redeemed by the Maturity Date) on the same compounded basis in respect of any 2020 ZDP Shares not so redeemed; and
- (c) third, subject to the terms of the Articles, there shall be paid to the holders of Ordinary Shares in proportion to their holdings the surplus assets of the Company available for distribution.

1.2.3 On a liquidation of the Company, to the extent that the relevant classes of ZDP Shares have not already been redeemed, the 2019 ZDP Shares shall rank in priority to the 2020 ZDP Shares in relation to the repayment of their Accrued Capital Entitlement as at the date of liquidation and thereafter.

#### 1.3 Rights as to voting

1.3.1

- (a) The holders of the 2019 ZDP Shares and the holders of the 2020 ZDP Shares shall have the respective right to receive notice of general meetings of the Company but shall not have the right to attend or vote at any general meeting of the Company unless the business of the meeting includes any resolution to vary, modify or abrogate any of the special rights attached to the 2019 ZDP Shares or the 2020 ZDP Shares respectively and at any meeting where any such business is to be considered such holders shall be entitled to vote in relation to such business alone; and

- (b) where by virtue of the above provisions the holders of the 2019 ZDP Shares and/or the 2020 ZDP Shares are entitled to vote, every such holder present in person or by a duly authorised representative (if a corporation) at a meeting shall, in relation to such business, have one vote in respect of every 2019 ZDP Share and/or 2020 ZDP Share held by him.

### 1.3.2

- (a) Subject to (b) and (c) below, the Company shall not without the previous sanction of a resolution passed at a separate class meeting of the 2019 ZDP Shareholders convened and held in accordance with the provisions of the Articles:
  - (i) pay dividends to holders of Ordinary Shares in excess of the aggregate of 5 pence per Ordinary Share per annum increased at the rate of 2.5 per cent. per annum from 12 December 2014;
  - (ii) issue further shares or securities, or rights to subscribe for or to convert or exchange any securities into shares or securities or reclassify issued share capital into shares or securities of a particular class where such shares or securities would on issue, conversion, exchange or reclassification rank as to capital in priority to or *pari passu* with the 2019 ZDP Shares, unless in respect of such issue, conversion, exchange or reclassification (a) the Cover Test would be met immediately following any such issue, conversion, exchange or reclassification; or (b) A Cover and B Cover is otherwise increased as a result of and upon such issue, conversion, exchange or reclassification;
  - (iii) pass a resolution releasing the Directors from their obligation to redeem the 2019 ZDP Shares on the Maturity Date in accordance with section 1.4 below;
  - (iv) other than the redemption of the 2019 ZDP Shares provided for in section 1.4 below, pass a resolution to reduce the capital of the Company in any manner, including any resolution authorising the Directors to purchase shares save that the Company may without such sanction take authority to make, and effect purchases of its own shares provided that in any event, (i) the Cover Test would be met immediately following any such purchase; or (ii) A Cover and B Cover is otherwise increased immediately following any such purchase;
  - (v) incur any borrowings in excess of £30 million (excluding any interest on any such borrowings and excluding Relevant Items being monies borrowed for temporary purposes only and in the ordinary course of business including, without limitation, for the purpose of refinancing existing borrowings or settling transactions and any monies borrowed for the purpose of paying the Final Capital Entitlement or then accrued entitlement of the 2019 ZDP Shares) or guarantee the indebtedness of any of its subsidiaries;
  - (vi) make any material change to the accounting policies adopted by the Directors which are in existence as at the Issue Date;
  - (vii) pass a resolution for the voluntary winding up or liquidation of the Company, such winding up to take effect prior to the Maturity Date;
  - (viii) make a material change to the business of the Company as a whole, which at the time of making such change, appears likely in the reasonable opinion of the Directors to be materially prejudicial to the holders of the 2019 ZDP Shares;
  - (ix) pass any resolution to vary, modify or abrogate any of the special rights attached to the 2019 ZDP Shares.

For the purpose of these provisions, the “**Cover Test**” is that the Directors shall have or shall have caused to be calculated that, in their opinion, were the actions detailed in (ii) or (iv) above (each an “**Action**”) to take place on the date specified by the Directors for such calculation, provided that such date shall not be one which is over 60 days prior to the date on which the relevant Action is due to take place (the “**Calculation Date**”), those 2019 ZDP Shares in issue immediately thereafter would have A Cover of not less than 1.7 times and B Cover of not less than 3.25 times (as adjusted in accordance with the provisions below).

For the purpose of these provisions:

- (1) the “**A Cover**” on the 2019 ZDP Shares shall represent a fraction where the numerator is equal to the gross assets of the Company less current liabilities and trade and non-borrowing related liabilities (not otherwise current liabilities) (other than the liabilities to ZDP Shareholders) as at the Calculation Date, as determined by the Directors, and the denominator is equal to the aggregate amount which would be paid to the holders of the 2019 ZDP Shares in issue on the Calculation Date as a class (and on all shares ranking as to capital in priority thereto or *pari passu* therewith) on the Maturity Date, plus the Company’s borrowings (if any) plus, to the extent not included in the current liabilities referred to above, the Directors’ estimate of the shortfall (if any) of the Group’s revenues less operational expenses (including dividends payable on the Company’s Ordinary Shares, finance costs and management expenses), excluding any fair value adjustments over the period from the Calculation Date to the Maturity Date; and
- (2) the “**B Cover**” on the 2019 ZDP Shares shall represent a fraction where the numerator is equal to the gross assets of the Company less current liabilities and trade and non-borrowing related liabilities (not otherwise current liabilities) and all borrowings (other than the liabilities to ZDP Shareholders) as at the Calculation Date, as determined by the Directors, and the denominator is equal to the aggregate amount which would be paid to the holders of the 2019 ZDP Shares in issue on the Calculation Date as a class (and on all shares ranking as to capital in priority thereto or *pari passu* therewith) on the Maturity Date provided always, that the B Cover of 3.25 times shall be adjusted downwards when and to the extent that the amount of the Company’s borrowings (excluding any interest on any such borrowings and excluding Relevant Items) is less than £30 million and in such event the amount of cover shall be reduced from 3.25 times by “**X**” where:

**X** = 0.00000008 x Y; and

**Y** = the amount of the Company’s borrowings (as referred to above) below £30 million,

so that, by way of illustration, if the amount of the Company’s borrowings (as referred to above) is £28 million as at the relevant Calculation Date the B Cover amount shall be 3.09 times.

In calculating such A Cover and B Cover, the Directors shall:

- (aa) use the portfolio valuations underlying the net assets value figure published by the Company at the end of the immediately preceding quarter (or on such other date as the Board in its absolute discretion may determine);
- (bb) assume that the Action had been undertaken at the end of the month prior to the Calculation Date (or on such other date as the Board in its absolute discretion may determine);

- (cc) adjust the aggregate net assets at the end of the said month (or on such other date as the Board in its absolute discretion may determine) by adding the minimum net consideration (if any) which would be received upon such Action and by deducting any consideration payable on such Action;
  - (dd) aggregate the capital entitlements of the existing 2019 ZDP Shares and the capital entitlements of any new 2019 ZDP Shares to be issued or reclassified as aforesaid, in each case as at the Calculation Date;
  - (ee) disregard any reduction in gross assets caused by the accounting for shares held in treasury held by the Company to the extent it is not matched by a corresponding adjustment to the calculation of the denominator; and
  - (ff) make such other adjustments as they in their absolute discretion consider appropriate;
- (b) notwithstanding the above provisions, if any offer is made (whether by the Company or any other person, including proposals for a reduction or cancellation of capital, capitalisation issue, share purchase or repurchase and/or redemption of shares of the relevant class or any shares issued in substitution therefor) to all the holders of the 2019 ZDP Shares (other than the offeror and/or persons acting in concert with the offeror) which becomes or is declared unconditional in all respects (or would so become or be declared subject only to the passing of any Recommended Resolution (as defined below)) prior to the Maturity Date, and which enables the holders of the 2019 ZDP Shares to receive no later than the relevant Maturity Date an amount in cash not less than that to which the Directors estimate (so far as practicable at the time and on the basis of such assumptions as they may reasonably deem appropriate) that the 2019 ZDP Shareholders would otherwise have been entitled on a redemption of their 2019 ZDP Shares or on a winding-up of the Company in each case on the relevant Maturity Date (whether or not such offer is accepted in any particular case and ignoring any option to receive alternative consideration) and such offer is recommended by the Directors and stated to be, in the opinion of a financial adviser appointed by the Directors, fair and reasonable, the provisions of (d) below shall apply to the holders of the 2019 ZDP Shares in relation to any resolution or resolutions (a “**Recommended Resolution**”) proposed at any general meeting of the Company or at any separate meeting of the holders of the 2019 ZDP Shares save that the provisions of (d) below shall cease as regards such shareholders if either the Directors consider that the aforementioned offer is unlikely to be honoured or the offeror breaches a material term of the offer or otherwise manifests an intention not to implement the offer;
- (c) notwithstanding the provisions above, if at any time on or before the Maturity Date a resolution (a “**Reconstruction Resolution**”) is proposed at any general meeting of the Company or at any separate meeting of any class(es) of shareholders to sanction any form of arrangement for the transfer of all or part of the Company’s assets to another entity or any proposals for the reduction or cancellation of capital, capitalisation issue, share purchase or repurchase and/or redemption of any shares (including, without limitation, any further resolutions which the Directors consider to be necessary or desirable for the purposes of effecting such proposals) and which enables the holders of the 2019 ZDP Shares to receive, no later than the relevant Maturity Date, an amount in cash not less than that to which the Directors estimate (so far as practicable at the time and on the basis of such assumptions as they may reasonably deem appropriate) that the 2019 ZDP Shareholders would otherwise have been entitled on a redemption of their 2019 ZDP Shares or on a winding-up of the Company in each case on the relevant Maturity Date then (ignoring any option to receive their entitlements otherwise than in cash), provided such proposals are recommended by the Directors and stated to be, in the opinion of a financial adviser appointed by the Directors, fair and

reasonable, the provisions of (d) below shall apply to the holders of the 2019 ZDP Shares in relation to such resolution(s), save that such provisions shall cease as regards such shareholders if the arrangement is not implemented in accordance with its terms;

- (d) where this paragraph applies in respect of any resolution, the 2019 ZDP Shareholders shall not be entitled to vote at any general meeting of the Company and the previous sanction of a special resolution of the holders of either class of the 2019 ZDP Shares shall not be required in any case, provided that where, notwithstanding the foregoing, such sanction(s) is/are required in any case by law, all the 2019 ZDP Shareholders present in person, by representative (if a corporation) or by proxy and entitled to vote at such meeting shall (in respect of the votes attached to all such shares) vote in favour of the resolution or resolutions recommended by the Directors and where any vote is not cast or is cast against any such resolution or resolutions recommended by the Directors it shall be deemed to have been cast in favour. The vote on any Recommended Resolution or Reconstruction Resolution shall be taken on a poll;
- (e) subject to (f) and (g) below, the Company shall not without the previous sanction of a resolution passed at a separate class meeting of the 2020 ZDP Shareholders convened and held in accordance with the provisions of the Articles:
  - (i) pay dividends to holders of Ordinary Shares in excess of the aggregate of 5 pence per Ordinary Share per annum increased at the rate of 2.5 per cent. per annum from 12 December 2014;
  - (ii) issue further shares or securities, or rights to subscribe for or to convert or exchange any securities into shares or securities or reclassify issued share capital into shares or securities of a particular class where such shares or securities would on issue, conversion, exchange or reclassification rank as to capital in priority to or *pari passu* with the 2020 ZDP Shares, unless in respect of such issue, conversion, exchange or reclassification (a) the Cover Test would be met immediately following any such issue, conversion, exchange or reclassification; or (b) A Cover is otherwise increased as a result of and upon such issue, conversion, exchange or reclassification;
  - (iii) pass a resolution releasing the Directors from their obligation to redeem the 2020 ZDP Shares on the Maturity Date in accordance with section 1.4 below;
  - (iv) other than the redemption of the 2020 ZDP Shares provided for in section 1.4 below, pass a resolution to reduce the capital of the Company in any manner, including any resolution authorising the Directors to purchase shares save that the Company may without such sanction take authority to make, and effect purchases of its own shares provided that in any event, (i) the Cover Test would be met immediately following any such purchase; or (ii) A Cover is otherwise increased immediately following any such purchase;
  - (v) incur any borrowings in excess of £30 million (excluding any interest on any such borrowings and excluding Relevant Items being monies borrowed for temporary purposes only and in the ordinary course of business including, without limitation, for the purpose of refinancing existing borrowings or settling transactions and any monies borrowed for the purpose of paying the Final Capital Entitlement or then accrued entitlement of the 2019 ZDP Shares or the 2020 ZDP Shares) or guarantee the indebtedness of any of its subsidiaries;
  - (vi) make any material change to the accounting policies adopted by the Directors which are in existence as at the Issue Date;
  - (vii) pass a resolution for the voluntary winding up or liquidation of the Company, such winding up to take effect prior to the Maturity Date;

- (viii) make a material change to the business of the Company as a whole, which at the time of making such change, appears likely in the reasonable opinion of the Directors to be materially prejudicial to the holders of the 2020 ZDP Shares;
- (ix) pass any resolution to vary, modify or abrogate any of the special rights attached to the 2020 ZDP Shares.

For the purpose of these provisions, the “**Cover Test**” is that the Directors shall have or shall have caused to be calculated that, in their opinion, were the actions detailed in (ii) or (iv) above (each an “**Action**”) to take place on the date specified by the Directors for such calculation, provided that such date shall not be one which is over 60 days prior to the date on which the relevant Action is due to take place (the “**Calculation Date**”), those 2020 ZDP Shares in issue immediately thereafter would have A Cover of not less than 1.7 times (as adjusted in accordance with the provisions below).

For the purpose of these provisions:

the “**A Cover**” on the 2020 ZDP Shares shall represent a fraction where the numerator is equal to the gross assets of the Company less current liabilities and trade and non-borrowing related liabilities (not otherwise current liabilities) (other than the liabilities to ZDP Shareholders) as at the Calculation Date, as determined by the Directors, and the denominator is equal to the aggregate amount which would be paid to the holders of the 2020 ZDP Shares in issue on the Calculation Date as a class (and on all shares ranking as to capital in priority thereto or *pari passu* therewith) on the Maturity Date, plus the Company’s borrowings (if any) plus, to the extent not included in the current liabilities referred to above, the Directors’ estimate of the shortfall (if any) of the Group’s revenues less operational expenses (including dividends payable on the Company’s Ordinary Shares, finance costs and management expenses), excluding any fair value adjustments over the period from the Calculation Date to the Maturity Date.

In calculating such A Cover, the Directors shall:

- (aa) use the portfolio valuations underlying the net assets value figure published by the Company at the end of the immediately preceding quarter (or on such other date as the Board in its absolute discretion may determine);
  - (bb) assume that the Action had been undertaken at the end of the month prior to the Calculation Date (or on such other date as the Board in its absolute discretion may determine);
  - (cc) adjust the aggregate net assets at the end of the said month (or on such other date as the Board in its absolute discretion may determine) by adding the minimum net consideration (if any) which would be received upon such Action and by deducting any consideration payable on such Action;
  - (dd) aggregate the capital entitlements of the existing 2020 ZDP Shares and the capital entitlements of any new 2020 ZDP Shares to be issued or reclassified as aforesaid, in each case as at the Calculation Date;
  - (ee) disregard any reduction in gross assets caused by the accounting for shares held in treasury held by the Company to the extent it is not matched by a corresponding adjustment to the calculation of the denominator; and
  - (ff) make such other adjustments as they in their absolute discretion consider appropriate;
- (f) notwithstanding the above provisions, if any offer is made (whether by the Company or any other person, including proposals for a reduction or cancellation of capital, capitalisation issue, share purchase or repurchase and/or redemption of shares of the

relevant class or any shares issued in substitution therefor) to all the holders of 2020 ZDP Shares (other than the offeror and/or persons acting in concert with the offeror) which becomes or is declared unconditional in all respects (or would so become or be declared subject only to the passing of any Recommended Resolution (as defined below)) prior to the Maturity Date, and which enables the holders of the 2020 ZDP Shares to receive no later than the relevant Maturity Date an amount in cash not less than that to which the Directors estimate (so far as practicable at the time and on the basis of such assumptions as they may reasonably deem appropriate) that the 2020 ZDP Shareholders would otherwise have been entitled on a redemption of their 2020 ZDP Shares or on a winding-up of the Company in each case on the relevant Maturity Date (whether or not such offer is accepted in any particular case and ignoring any option to receive alternative consideration) and such offer is recommended by the Directors and stated to be, in the opinion of a financial adviser appointed by the Directors, fair and reasonable, the provisions of (h) below shall apply to the holders of 2020 ZDP Shares in relation to any resolution or resolutions (a “**Recommended Resolution**”) proposed at any general meeting of the Company or at any separate meeting of the holders of 2020 ZDP Shares save that the provisions of (h) below shall cease as regards such shareholders if either the Directors consider that the aforementioned offer is unlikely to be honoured or the offeror breaches a material term of the offer or otherwise manifests an intention not to implement the offer;

- (g) notwithstanding the provisions above, if at any time on or before the Maturity Date a resolution (a “**Reconstruction Resolution**”) is proposed at any general meeting of the Company or at any separate meeting of any class(es) of shareholders to sanction any form of arrangement for the transfer of all or part of the Company’s assets to another entity or any proposals for the reduction or cancellation of capital, capitalisation issue, share purchase or repurchase and/or redemption of any shares (including, without limitation, any further resolutions which the Directors consider to be necessary or desirable for the purposes of effecting such proposals) and which enables the holders of the 2020 ZDP Shares to receive, no later than the relevant Maturity Date, an amount in cash not less than that to which the Directors estimate (so far as practicable at the time and on the basis of such assumptions as they may reasonably deem appropriate) that the 2020 ZDP Shareholders would otherwise have been entitled on a redemption of their 2020 ZDP Shares or on a winding-up of the Company in each case on the relevant Maturity Date then (ignoring any option to receive their entitlements otherwise than in cash), provided such proposals are recommended by the Directors and stated to be, in the opinion of a financial adviser appointed by the Directors, fair and reasonable, the provisions of (h) below shall apply to the holders of the 2020 ZDP Shares in relation to such resolution(s), save that such provisions shall cease as regards such shareholders if the arrangement is not implemented in accordance with its terms; and
- (h) where this paragraph applies in respect of any resolution, the 2020 ZDP Shareholders shall not be entitled to vote at any general meeting of the Company and the previous sanction of a special resolution of the holders of either class of the 2020 ZDP Shares shall not be required in any case, provided that where, notwithstanding the foregoing, such sanction(s) is/are required in any case by law, all 2020 ZDP Shareholders present in person, by representative (if a corporation) or by proxy and entitled to vote at such meeting shall (in respect of the votes attached to all such shares) vote in favour of the resolution or resolutions recommended by the Directors and where any vote is not cast or is cast against any such resolution or resolutions recommended by the Directors it shall be deemed to have been cast in favour. The vote on any Recommended Resolution or Reconstruction Resolution shall be taken on a poll.

## 1.4 Rights as to redemption

- 1.4.1 Unless the Directors have previously been released from their obligations to do so by a special resolution of the Company (such special resolution having been duly passed not earlier than the date falling one month prior to the relevant Maturity Date and having been sanctioned by necessary class approval(s)), the Company shall on each Maturity Date, compulsorily redeem all relevant ZDP Shares of the relevant class in issue at an amount equal to the relevant Final Capital Entitlement per ZDP Share.
- 1.4.2 In the event that, on any Maturity Date, the Company is not permitted to redeem any of the relevant ZDP Shares by reason of statutory restriction or otherwise by law, it shall redeem the ZDP Shares then due for redemption so soon thereafter as the Company is permitted lawfully to do so (and if the Company is not permitted lawfully to redeem all of the then relevant unredeemed ZDP Shares at one time, such redemption shall take place in tranches at such times as the Company is permitted lawfully to redeem some only of the then unredeemed relevant ZDP Shares, and the relevant ZDP Shares to be redeemed in such circumstances shall be selected *pro rata* to the holdings due to be redeemed at such time).
- 1.4.3 In the event that, on any Maturity Date, the Company is permitted to redeem some only of the relevant ZDP Shares by reason of statutory restriction or otherwise by law, it shall redeem such ZDP Shares at such time and shall redeem the remaining relevant ZDP Shares then due for redemption so soon thereafter as the Company is permitted lawfully to do so (and if the Company is not permitted lawfully to redeem all of the then relevant unredeemed ZDP Shares at one time, such redemption shall take place in tranches at such times as the Company is permitted lawfully to redeem some only of the then relevant unredeemed ZDP Shares). The ZDP Shares to be redeemed in such circumstances shall be selected *pro rata* to the holdings due to be redeemed at such time.
- 1.4.4 During such time after any Maturity Date when any of the relevant ZDP Shares remains unredeemed, the Company shall not declare, make or otherwise pay any distributions (whether by way of dividend, redemption, repurchase of shares, reduction of capital or otherwise) to any of the holders of the Ordinary Shares. The rights of the 2019 ZDP Shares to redemption shall rank in priority to the 2020 ZDP Shares so that, without limit, no 2020 ZDP Shares shall be redeemed whilst any 2019 ZDP Shares remain liable to be redeemed.

## PART 3

### DEFINITIONS

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

“2019 ZDP Shareholders”	holders of 2019 ZDP Shares
“2019 ZDP Shares”	zero dividend preference shares of no par value each issued by the Company that entitle their holders to a capital repayment per share of 130.696 pence on 5 December 2019
“2020 ZDP Shareholders”	holders of 2020 ZDP Shares
“2020 ZDP Shares”	zero dividend preference shares of no par value each to be issued by the Company pursuant to the Issue and the Placing Programme that entitle their holders to a capital repayment per share of 143.563 pence on 22 December 2020
“A Cover”	has the meaning given in Part 2 of this document
“Accrued Capital Entitlement”	the accrued capital entitlement of a 2020 ZDP Share on any particular date
“Admission”	admission of the 2020 ZDP Shares to be issued pursuant to the Placing, the Open Offer to: (i) a standard listing on the Official List by the UK Listing Authority; and (ii) trading on the London Stock Exchange’s main market for listed securities, becoming effective
“Application Form”	the application form for use by certain Shareholders in connection with the Open Offer
“Articles”	the existing articles of incorporation of the Company in force at the date of this document
“B Cover”	has the meaning given in Part 2 of this document
“Basic Entitlement”	the number of Open Offer Shares which Shareholders are entitled to subscribe for at the Issue Price <i>pro rata</i> to their holding of Ordinary Shares and/or 2019 ZDP Shares pursuant to the Open Offer, as described in this document and the Prospectus
“Board” or “Directors”	the board of directors of the Company, including a duly constituted committee thereof
“Company” or “GLI”	GLI Finance Limited
“Cover”	means A Cover and/or B Cover, as the context requires
“Cover Test”	has the meaning given in Part 2 of this document
“CULS”	convertible unsecured loan stock
“Extraordinary General Meeting” or “EGM”	the extraordinary general meeting of the Company to be held at 10.00 a.m. on 21 December 2015, or any adjournment thereof, for the purpose of considering and, if thought fit, passing the Resolutions
“Final Capital Entitlement”	means, in the case of the 2019 ZDP Shares, 130.696 pence per 2019 ZDP Share and, in the case of the 2020 ZDP Shares, 143.563 pence per 2020 ZDP Share

<b>“Form of Proxy”</b>	the form of proxy for use by Ordinary Shareholders in connection with the EGM which accompanies this document
<b>GLI Alt Fi</b>	GLI Alternative Finance plc, an investment trust managed by GLI Asset Management Limited
<b>“Group”</b>	the Company and its subsidiaries from time to time
<b>“Issue”</b>	the Placing and the Open Offer
<b>“Issue Price”</b>	the price at which 2020 ZDP Shares are being offered pursuant to the Issue, being 100 pence per 2020 ZDP Share
<b>“Loan Facility”</b>	the loan agreement dated 15 September 2014, as amended, between the Company (as borrower), Sancus (as facility agent and security trustee) and each of Sancus, Sancus (Gibraltar) Limited and other parties named therein as lenders
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“Maturity Date”</b>	means, in respect of the 2019 ZDP Shares, the date on which those shares are due to be redeemed, being 5 December 2019 and, in respect of the 2020 ZDP Shares, the date on which those shares are due to be redeemed, being 22 December 2020
<b>“New Articles”</b>	the new articles of incorporation of the Company proposed to be adopted, incorporating the provisions set out in Part 2 of this document
<b>“Notice”</b>	the notice of the Extraordinary General Meeting set out at the end of this document
<b>“Open Offer”</b>	the proposed issue and allotment at the Issue Price of up to 20 million Open Offer Shares to Shareholders as described in this document and the Prospectus
<b>“Open Offer Shares”</b>	the 2020 ZDP Shares to be issued and allotted to Shareholders pursuant to the Open Offer as described in this document and the Prospectus
<b>“Ordinary Shareholders”</b>	holders of Ordinary Shares
<b>“Ordinary Shares”</b>	ordinary shares of no par value each issued by the Company
<b>“Panmure Gordon”</b>	Panmure Gordon (UK) Limited
<b>“Placing”</b>	the conditional placing of 2020 ZDP Shares, as part of the Issue, by Panmure Gordon as described in Part 1 of this document
<b>“Placing Agreement”</b>	the conditional agreement entered into between Panmure Gordon and the Company in connection with the Issue
<b>“Placing Programme”</b>	the placing programme of 2020 ZDP Shares as described in Part 1 of this document
<b>“Placing Programme Price”</b>	the applicable price at which 2020 ZDP Shares will be issued under the Placing Programme, which will be not less than the aggregate of the Accrued Capital Entitlement of a 2020 ZDP Share at the time of the relevant allotment plus an amount sufficient to cover the costs and expenses of such issue, including any placing commission

<b>“Platform”</b>	an origination platform that allows principally non-bank capital to: (a) lend or advance capital to SME borrowers; and/or (b) advance capital against trade receivables
<b>“Portfolio Companies”</b>	the SME finance companies in which the Group holds an equity interest, each of which operates a Platform or otherwise operates in the alternative finance space
<b>“Proposals”</b>	the proposals set out in Part 1 of this document comprising the Issue, the Placing Programme, the proposed adoption of the New Articles and the proposed disapplication of pre-emption rights on the issue of CULS which have attached thereto the right to convert into new Ordinary Shares
<b>“Prospectus”</b>	the prospectus published by the Company on 3 December 2015 in connection with the Issue, the Placing Programme and Admission
<b>“Resolutions”</b>	the special resolutions to be proposed at the EGM as set out in the Notice
<b>“Restricted Jurisdiction”</b>	each of Australia, Canada, Japan, New Zealand, the Republic of South Africa and the United States or any other jurisdiction outside the United Kingdom into which sending the Prospectus may violate any legal or regulatory requirement
<b>“Sancus”</b>	Sancus Limited, a company incorporated in Jersey with registration number 113391
<b>“Shareholders”</b>	Ordinary Shareholders and ZDP Shareholders
<b>“SMEs”</b>	small and medium-sized enterprises
<b>“ZDP Shareholders”</b>	holders of 2019 ZDP Shares
<b>“ZDP Shares”</b>	2019 ZDP Shares and 2020 ZDP Shares

## PART 4

### NOTICE OF EXTRAORDINARY GENERAL MEETING

# GLI FINANCE LIMITED

*(a 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 1GR at 10.00 a.m. on 21 December 2015 for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as special resolutions.

#### Special Resolutions

1. **THAT** the draft articles of incorporation produced to the meeting and initialled by the Chairman for the purposes of identification be adopted as the articles of incorporation of the Company in substitution for and to the exclusion of the existing articles of incorporation of the Company.
2. **THAT**, in addition to any existing power or authority granted to the Directors pursuant to Article 8.7 of the articles of incorporation of the Company, the provisions of Article 8.2 shall not apply and shall be excluded in relation to the issue of up to 60 million new Ordinary Shares, provided that such disapplication and exclusion shall: (i) be limited to the issue of new Ordinary Shares arising on the conversion of any convertible unsecured loan stock to be issued by the Company as described in the circular to Shareholders dated 3 December 2015 of which this Notice forms part; and (ii) expire on the date which is five years from the date on which this resolution is passed, save that the Directors may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require the allotment of any new Ordinary Shares in pursuance of such an offer or agreement as if such authority had not expired.

*By order of the Board*

3 December 2015

*Registered Office*

Sarnia House  
Le Truchot  
St. Peter Port  
Guernsey  
GY1 1GR

#### 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 15 minutes after the time appointed for the holding of the meeting, the meeting shall be dissolved.
12. The majority required for the passing of a 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 resolutions are duly passed at the meeting (or any adjourned meeting thereof), and other necessary formalities are completed, this will result in all of the proposed resolutions becoming binding on each shareholder in the Company whether or not they voted in favour of the resolutions, 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 3 December 2015 shall, unless the context otherwise requires, bear the same meaning when used in this Notice.

