ELECTRONIC TRANSMISSION DISCLAIMER

STRICTLY NOT TO BE FORWARDED TO ANY OTHER PERSONS

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached prospectus (the "document") and you are therefore advised to read this carefully before reading, accessing or making any other use of the attached document relating to Harmony Energy Income Trust plc (the "Company"). In accessing the document, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access. You acknowledge that this electronic transmission and the delivery of the attached document is confidential and intended only for you and you agree you will not forward, reproduce, copy, download or publish this electronic transmission or the attached document (electronically or otherwise) to any other person.

The ordinary shares of £0.01 each and C shares of £0.10 each in the capital of the Company (together, the "**Shares**") referenced in the document, have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act). There will be no public offer of the Shares in the United States. The Shares may be offered or sold outside the United States to non-U.S. Persons in offshore transactions in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder. The Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "**U.S. Investment Company Act**") and the recipients of the document will not be entitled to the benefits of the U.S. Investment Company Act. Any re-offer or resale of any of the Shares in the United States or to U.S. Persons may constitute a violation of U.S. law or regulation.

The electronic transmission, the document and the offer of Shares described in the document when made are only addressed to and directed at persons in member states of the European Economic Area (which, for the avoidance of doubt, does not include the United Kingdom) ("**EEA**") who are "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation (Regulation (EU) No. 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC) ("**Qualified Investors**"). This electronic transmission and the document must not be acted on or relied on in any member state of the EEA by persons who are not Qualified Investors. Any investment or investment activity to which the document relates is available only to Qualified Investors in any member state of the EEA, and will be engaged in only with such persons.

In relation to (i) each member state in the EEA that has implemented the Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers, as amended, and (ii) the United Kingdom ("**UK**"), which has implemented the same by virtue of the European Union (Withdrawal) Act 2018, as amended, the Shares have not been nor will be directly or indirectly offered to or placed with investors in that member state of the EEA or the UK, as the case may be, at the initiative of or on behalf of the Company, the AIFM, the Investment Adviser or Berenberg (each as defined in the document) other than in accordance with methods permitted in that member state or the UK, as the case may be.

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

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

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

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

Confirmation of your representation: By accepting electronic delivery of the document, you are deemed to have represented to the Company, Berenberg, the AIFM, the Investment Adviser, the Receiving Agent and the Registrar (each as defined in the document) that (i) you are not a U.S. Person nor are you acquiring the Shares for the account or benefit of a U.S. Person; (ii) if you are in any member state of the EEA, you are a Qualified Investor; (iii) you do not have a registered address in, and are not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Shares and you are not acting on a non-discretionary basis for any such person; and (iv) if you are outside the UK, including in any member state of the EEA, (and the electronic mail addresses that you gave us and to which the document has been delivered are not located in such jurisdictions) you are a person into whose possession the document may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located.

The document has been made available to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Company, the AIFM, the Investment Adviser or Berenberg (each as defined in the document) or any of their respective affiliates, directors, officers, employees, partners (including, in the case of Berenberg, unlimited partners (*persönlich haftende Gesellschafter*)) or agents accepts any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and any hard copy version. By accessing the linked document, you consent to receiving it in electronic form.

You are reminded that the document has been made available to you solely on the basis that you are a person into whose possession the document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver the document, electronically or otherwise, to any other person.

Restriction: Nothing in this electronic transmission constitutes, nor may be used in connection with, an offer of securities for sale to persons other than the specified categories of institutional buyers described above and to whom it is directed and access has been limited so that it shall not constitute a general solicitation. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

Neither Berenberg (as defined in the document) nor any of its affiliates, directors, officers, employees, partners (including unlimited partners (*persönlich haftende Gesellschafter*)) or agents accepts any responsibility whatsoever for the contents of the document or for any statement made or purported to be made by it, or on its behalf, in connection with the Company and/or the Initial Issue and/or Subsequent Placings (the latter both as defined in the document). Berenberg and its affiliates accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of such document or any such statement. No representation or warranty express or implied is made by Berenberg or any of its affiliates as to the accuracy, completeness, reasonableness, verification or sufficiency of the information set out in the document.

Berenberg is acting exclusively for the Company and no-one else in connection with the Initial Issue and/or Subsequent Placings (both as defined in the document). Berenberg will not regard any other person (whether or not a recipient of the document) as its client in relation to the offer and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or providing any advice in relation to the Initial Issue and/or Subsequent Placings (both as defined in the document) or any transaction or arrangement referred to in the document.

You are responsible for protecting against viruses and other destructive items. Your receipt of the document via electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from an independent financial adviser who specialises in advising on shares or other securities and who is authorised under the Financial Services and Markets Act 2000 (as amended) ("FSMA") or, if you are not resident in the UK, from another appropriately authorised independent financial adviser in your own jurisdiction.

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

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

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

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

Potential investors are recommended to seek advice from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under FSMA if you are in the United Kingdom or, if not, from another appropriately authorised independent adviser before investing in the Company. Potential investors should also consider the risk factors relating to the Company set out on pages 10 to 32 of this Prospectus.

HARMONY ENERGY INCOME TRUST PLC

(Incorporated and registered in England and Wales with registered number 13656587 and registered as an investment company under section 833 of the Companies Act 2006 (as amended))

Initial Placing and Offer for Subscription of up to 230 million Ordinary Shares, Placing Programme of up to 250 million Ordinary Shares and/or C Shares and Acquisition of the Seed Portfolio

Admission to trading on the Specialist Fund Segment of the Main Market of London Stock Exchange plc

Investment Adviser

Harmony Energy Advisors Limited

Financial Adviser, Sole Global Coordinator and Bookrunner

Joh. Berenberg, Gossler & Co. KG, London Branch

The Company, whose registered office appears on pages 4 and 45 of this Prospectus, and the Directors, whose names appear on pages 5 and 45 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect the import of such information.

Application will be made to the FCA for any Ordinary Shares issued pursuant to this Prospectus to be admitted to the Specialist Fund Segment of the Main Market of the London Stock Exchange plc. It is expected that Admission will occur, and that unconditional dealings in Ordinary Shares issued pursuant to the Initial Placing and Offer for Subscription will commence, at 8.00 a.m. on or around 9 November 2021. The International Security Identification Number ("**ISIN**") for the Ordinary Shares to be admitted to trading is: GB00BLNNFY18.

The Ordinary Shares are not dealt in on any other Recognised Investment Exchange and no other such applications have been made or are currently expected.

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

Berenberg, which is authorised and regulated by the German Federal Financial Supervisory Authority and, in the United Kingdom, is deemed authorised under the Temporary Permissions Regime and subject to limited regulation by the Financial Conduct Authority, is acting for the Company in connection with the issue of Ordinary Shares and any C Shares (together "**Shares**") as described in this Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Berenberg or for advising any such person in connection with the issue of the Shares and as described in this Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on Berenberg by FSMA or the regulatory regime established thereunder, Berenberg accepts no responsibility whatsoever for the contents of this Prospectus or for any statement made or purported to be made by it or on its behalf in connection with the Company or the Shares. Berenberg accordingly disclaims all and any liability, whether arising in tort or contract or otherwise (save as referred to above), which it might otherwise have in respect of this Prospectus or any such statement.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. No action has been taken by the Company or Berenberg that would permit an offer of the Shares or possession or distribution of this Prospectus or any other offering or publicity material in any jurisdiction where action for that purpose is required, other than in the United Kingdom. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Shares described in this Prospectus have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) or the securities laws of any states of the United States or under any of the relevant securities laws of Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan or their respective territories or possessions. Accordingly, the Shares may not (unless an exemption from such legislation or such laws is available) be offered, sold or delivered, directly or indirectly, in or into the United States, Canada, Australia, the Republic of South Africa, the Republic of Ireland or Japan or their respective territories or possessions. The Company will not be registered under the United States Investment Company Act of 1940 (as amended) and investors will not be entitled to the benefits of such legislation. Persons resident in territories other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any formalities to enable them to apply for, acquire, hold or dispose of the Shares. None of the Company, the Investment Adviser or Berenberg or any of their respective representatives is making any representation to any offeree or purchaser of or subscriber for Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

The Company will not pay commission to third parties that advise investors to subscribe for Shares in the Company. In relation to the Initial Placing, the Ordinary Shares will be issued to Placees at the Issue Price and no commission will be paid to any third parties that advise investors in respect of such issues under the Initial Placing. In relation to the Placing Programme, the Ordinary Shares and/or C Shares (as applicable) will be issued fully paid to Placees at the applicable Placing Programme Price and no commission will be paid to any third parties that advise investors in respect of such issues under the Placing Programme.

In relation to the United Kingdom, which has implemented the EU AIFM Directive by virtue of the UK AIFM Legislation, and each jurisdiction in the EEA that has implemented the EU AIFM Directive, no Shares have been or will be directly or indirectly offered to or placed with investors in the United Kingdom or a jurisdiction within the EEA at the initiative of or on behalf of the Company or the Investment Adviser other than in accordance with methods permitted in the United Kingdom or the EEA and that member state. The AIFM, pursuant to the UK AIFM Regime, has notified the FCA of its intention to market the Shares in the UK under the national private placement regime.

Without limitation, neither the contents of the Company's, the AIFM's or Harmony Energy's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's, the AIFM's or Harmony Energy's website (or any other website) is incorporated into, or forms part of, this Prospectus, or has been approved by the FCA. Investors should base their decision whether or not to invest in the Shares on the contents of this document and any supplementary prospectus published by the Company prior to Admission or any admission of Shares issued pursuant to the Placing Programme alone.

15 October 2021

CONTENTS

SUMMARY

1. Introduction and warnings

a. Name and ISIN of securities

Ticker for the Ordinary Shares: HEIT

ISIN of the Ordinary Shares: GB00BLNNFY18

Ticker for the C Shares: HEIC

ISIN of the C Shares: GB00BLNNFZ25

b. Identity and contact details of the issuer

Name: Harmony Energy Income Trust plc (the "**Company**") (incorporated in England and Wales with registered number 13656587)

Registered office: The Scalpel 18th Floor, 52 Lime Street, London, England EC3M 7AF

Tel: +44 (0) 20 7409 0181

Legal Entity Identifier (LEI): 254900O3XI3CJNTKR453

c. Identity and contact details of the competent authority

Name: Financial Conduct Authority

Address: 12 Endeavour Square, London, E20 1JN, United Kingdom

Tel: +44 (0) 20 7066 1000

d. Date of approval of the prospectus

15 October 2021

e. Warnings

This summary should be read as an introduction to the prospectus. Any decision to invest in the Shares should be based on a consideration of the prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in the Shares.

2. Key information on the issuer

a. Who is the issuer of the securities?

i. *Domicile and legal form, LEI, applicable legislation and country of incorporation*

The Company is a public limited company, registered and incorporated in England and Wales under the Companies Act 2006 (the "Act") on 1 October 2021 with registered number 13656587. The Company is registered as an investment company under section 833 of the Act. The Company intends to carry on business as an investment trust within the meaning of Section 1158 of the Corporation Tax Act 2010. The Company's LEI is 254900O3XI3CJNTKR453.

ii. *Principal activities*

The principal activity of the Company is to invest in accordance with the Company's investment policy with a view to achieving its investment objective.

iii. *Investment objective*

The Company's investment objective is to provide investors with an attractive and sustainable level of income returns, with the potential for capital growth, by investing in commercial scale energy storage and renewable energy generation projects, with an initial focus on a diversified portfolio of battery energy storage systems located in Great Britain.

iv. *Major Shareholders*

As at the date of this Prospectus, insofar as known to the Company, there are no parties known to have a notifiable interest under English law in the Company's capital or voting rights. Pending the issue of Ordinary Shares pursuant to the Initial Issue, the Company will be controlled by the Investment Adviser.

Assuming that Gross Proceeds of £230 million are raised pursuant to the Initial Placing and Offer for Subscription, Harmony Energy will receive 23,483,695 Consideration Shares on Admission in part consideration for the acquisition of the Seed Portfolio. These Ordinary Shares would comprise, in aggregate, approximately 9.26 per cent. of Ordinary Shares issued by the Company on Admission.

Save as described above, the Company is not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company. All Shareholders have the same voting rights in respect of shares of the same class in the share capital of the Company.

v. ***Directors***

Norman Crighton (Chair), Janine Freeman, Hugh McNeal, William Rickett and Shefaly Yogendra. All of the Directors are non-executive directors and are independent of the Investment Adviser and Harmony Energy.

vi. ***Statutory auditors***

Ernst & Young LLP

vii. ***Service providers***

The Company's key service providers are JTC Global AIFM Solutions Limited (the "**AIFM**"), Harmony Energy Advisors Limited, the Investment Adviser (which has applied to act as FCA Appointed Representative of Laven Advisors LLP), JTC (UK) Limited, the administrator and company secretary to the Company and Computershare, the Company's registrar and receiving agent in respect of the Offer for Subscription.

The Investment Adviser will provide investment advisory services (and certain other services related to the Company's investments) and will act within the strategic guidelines set out in the Company's investment policy. The Investment Adviser will report to the AIFM and the Company, and will be responsible to Laven Advisors LLP, its principal under an FCA Appointed Representative agreement.

b. **What is the key financial information regarding the issuer?**

The Company is newly incorporated and has no historical financial information.

c. **What are the key risks that are specific to the issuer?**

The key risks relating to the Company and its industry which are known to the Directors are as follows:

- The Company has no operating results and will not commence operations until it has obtained funding through the Initial Issue. As the Company lacks an operating history, investors have no basis on which to evaluate the Company's ability to achieve its investment objective and provide a satisfactory investment return.
- The Company may not achieve its investment objective. Meeting the investment objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met. The Company's returns to Shareholders will depend on many factors, including the value and performance of its investments and the Company's ability successfully to execute its investment strategy. The value and performance of the Company's investments will be affected by a broad range of factors.
- The Company's target returns are a target only and are based on estimates and assumptions about a variety of factors including, without limitation, purchase prices of battery energy storage systems and components, project development and construction costs, income and pricing from contracts with National Grid ESO and other counterparties, the potential for trading profitability in the wholesale electricity markets and/or Balancing Mechanism, performance of the Company's investments, and the availability of projects which meet the Company's minimum return parameters in accordance with the Company's investment policy.
- The Company is aiming to have committed substantially all of the proceeds of the Initial Issue to investments within 12 months from the date of Admission but there can be no guarantee that this will be achieved. It is intended that the Net Proceeds will be deployed into the Seed Projects and the Advanced Project (being the most advanced project within the Pipeline Portfolio), however it is possible that one or more of these Projects will not be acquired by the Company. In this case it may take the Company more than 12 months to commit the Net Proceeds to investments. There can therefore be no assurance as to how long it will take for the Company to invest any or all of the Net Proceeds, if at all, and the longer the period the greater the impact on the Company's results of operations and cash flows and the greater the likelihood that the Company's NAV, revenues and returns to Shareholders will be materially adversely affected.
- Whilst the Seed Projects (and other Projects the Company may acquire from time to time) are 'Shovel Ready' (meaning that a Project has planning consents for battery storage, a grid connection agreement, an option to lease or a lease over the relevant land, and an agreed form EPC contract) such Projects by their very nature remain subject to certain pre-construction and construction risks, including but not limited to: planning amendments to reflect the final technical specification and/or ancillary equipment on a particular site; options for lease (rather than a completed lease) which provide contractual rights rather than a property interest of the type created by a completed lease and is required to be exercised to effect a lease; grid connection agreements are subject to meeting completion timescales and making milestone payments; and EPC contracts, which whilst fixing the majority of constructions costs, may not protect against all circumstances of cost overruns, such as force majeure events. Any one of such risks, if materialised, may have a significant impact on a Project value and revenues which could in turn have a material impact of the financial performance of the Company.
- Tesla is a key supplier of EPC, O&M and Revenue Optimisation and other services and supply of battery systems to the Seed Projects, and a failure by Tesla may materially disrupt the development of the relevant Projects and the business of the Company.
- The Company's investment policy has an initial focus on energy storage infrastructure, which will principally operate in Great Britain. This means that the Company has a significant concentration risk relating to the energy storage infrastructure sector in Great Britain. Significant concentration of investments in any one sector may result in greater volatility in the value of the Company's investments, and consequently the NAV, and may materially and adversely affect the performance of the Company and returns to Shareholders.

- The Company's NAV, revenues and returns to Shareholders will be dependent on there being no material adverse change in applicable laws (including tax laws) or regulations (or their interpretation) that affects the Company, the AIFM, the Portfolio, any instruments issued or held by any of them or the overall structure to be adopted to effect the investment strategy and objective of the Company.
- If the growth of renewable energy does not continue as expected (for example, due to low energy prices, reduced Government support, increased deployment of non- renewable/fossil fuel generating capacity such as gas fired or nuclear power stations, or increased imports from cross channel interconnectors), this could have an adverse impact on the Company's prospects and performance.
- Commercial battery energy storage systems rely on contracts with National Grid ESO and pricing volatility within (i) the balancing mechanism which is used by National Grid ESO to manage system constraints, procure reserve and balance the supply and demand of energy in real time ("**BM**") and (ii) wholesale electricity markets, in order to generate revenues. To the extent the supply of capacity provided by such asset class exceeds demand, the pricing of National Grid ESO contracts could reduce and pricing volatility within the BM and wholesale electricity markets could decline, adversely impacting the revenues which can be generated by a battery and, to the extent such impact affects the Projects, the NAV and returns of the Company.
- The Projects will rely on third-party professionals and independent contractors and other service providers (including Harmony Energy). In the event that such contracted third parties are not able to fulfil their obligations or otherwise fail to perform to standard, the AIFM, on behalf of the Company or the Projects, may be forced to seek recourse against such parties, provide additional resources to undertake their work, or to engage other companies to undertake their work. This could have a material adverse effect on the Company's NAV, revenues and returns to Shareholders.

3. Key information on the securities

a. What are the main features of the securities?

i. ***Type, class and ISIN of the securities***

(i) Ordinary shares of £0.01 each in the capital of the Company.

The ISIN of the Ordinary Shares is GB00BLNNFY18.

(ii) C shares of £0.10 each in the capital of the Company.

The ISIN of the C Shares is GB00BLNNFZ25.

ii. ***Currency, denomination, par value, number of securities issued and term of the securities***

The Ordinary Shares and C Shares are denominated in pounds sterling and have nominal value of £0.01 each (in the case of the Ordinary Shares) and £0.10 each (in the case of the C Shares). Ordinary Shares are being made available under the Initial Issue at the Issue Price of 100 pence per Ordinary Share. The Placing Programme Price is not known at the date of this Prospectus, but will not be less than the prevailing Net Asset Value per Ordinary Share at the time of issue plus a premium to cover the expenses of such issue. Up to 230 million Ordinary Shares can be issued pursuant to the Initial Placing and Offer for Subscription and up to 250 million Ordinary Shares and/or C Shares may be issued pursuant to the Placing Programme. The Ordinary Shares and C Shares have no fixed term.

iii. ***Rights attached to the securities***

Holders of Ordinary Shares and C Shares shall be entitled to receive, and to participate in, any dividends declared in relation to the Ordinary Shares or class of C Shares they hold. On a winding-up or a return of capital by the Company, holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets after taking into account any net assets attributable to any C Shares (if any) in issue. On a winding-up or a return of capital by the Company, if there are C Shares in issue, the net assets of the Company attributable to the C Shares of each class shall be divided *pro rata* among the holders of the C Shares attributable to that class. For so long as C Shares are in issue and without prejudice to the Company's obligations under the Act, the assets attributable to the C Shares shall, at all times, be separately identified and shall have allocated to them such proportion of the expenses or liabilities of the Company as the Directors fairly consider to be attributable to any C Shares in issue.

Holders of Ordinary Shares and C Shares shall be entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Ordinary Share or C Share held. The Ordinary Shares and C Shares are not redeemable. The consent of the holders of Ordinary Shares or class of C Shares will be required for the variation of any rights attached to the Ordinary Shares or the relevant class of C Shares (as the case may be).

iv. ***Relative seniority of the securities in the event of insolvency***

On a winding-up or a return of capital by the Company, the holders of Ordinary Shares shall be entitled to all of the Company's remaining net assets after taking into account any net assets attributable to any C Shares (if any) in issue. There are no C Shares in issue as at the date of this document.

At a time when any C Shares are for the time being in issue, the net assets of the Company attributable to the C Shares of each class shall on a winding-up or on a return of capital by the Company be divided *pro rata* amongst the holders of the C Shares attributable to that class.

v. ***Restrictions on free transferability of the securities***

The Board may, in its absolute discretion, and without giving a reason, refuse to register a transfer of any Share in certificated form or uncertificated form (subject to the Articles) which is not fully paid and on which the Company

has a lien provided that this would not prevent dealings in the Shares from taking place on an open and proper basis on the London Stock Exchange.

In addition, the Board may refuse to register a transfer of Shares if (i) in the case of certificated Shares: (a) it is in respect of more than one class of shares, (b) it is in favour of more than four joint transferees or (c) it is delivered for registration to the registered office of the Company or such other place as the Board may decide and is not accompanied by the certificate of the shares to which it relates and such other evidence of title as the Board may reasonably require.

The Board may decline to register a transfer of an uncertificated share which is traded through the CREST UK system in accordance with the CREST Regulations where, in the case of a transfer to joint holders, the number of joint holders to whom uncertificated shares is to be transferred exceeds four.

vi. ***Dividend policy***

On the basis of market conditions as at the date of this Prospectus, the Company will target an initial dividend yield of 2 per cent. for the calendar ending 31 December 2022, with such dividend target increasing to 8 per cent. per annum payable quarterly in the periods thereafter, in each case by reference to the Issue Price.

Subject to market conditions and the level of the Company's net income, it is expected that a first interim dividend of 1p will be payable in July 2022 with an additional 1p expected to be paid in December 2022. Thereafter it is intended that dividends on the Shares will be payable quarterly, all in the form of interim dividends (the Company does not intend to pay any final dividends). The Board reserves the right to retain within a revenue reserve a proportion of the Company's net income in any financial year, such reserve then being available at the Board's absolute discretion for subsequent distribution to Shareholders, subject to the requirements of the IT Regulations.

If any C Shares are issued, holders of any class of C Shares following Initial Admission will be entitled to participate in any dividends and distributions of the Company as the Directors may resolve to pay to holders of that class of C Shares out of the assets attributable to that class of C Shares. For the avoidance of doubt, the targets set out above shall not apply with respect to any tranche of C Shares prior to conversion into Ordinary Shares. Dividends and distributions on Ordinary Shares (or C Shares) will be declared and paid in Sterling.

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

b. **Where will the securities be traded?**

Applications will be made to the London Stock Exchange for all the Ordinary Shares (issued and to be issued) pursuant to the Initial Issue and for the Ordinary Shares and/or C Shares to be issued from time to time pursuant to the Placing Programme to be admitted to the Specialist Fund Segment.

c. **What are the key risks that are specific to the securities?**

The key risk factors relating to the Shares are:

- The value of an investment in the Company, and the income derived from it, if any, may go down as well as up and an investor may not get back the amount invested.
- The market price of the Shares, like shares in all investment companies, may fluctuate independently of their underlying NAV and may trade at a discount or premium at different times, depending on factors such as supply and demand for the Shares, market or economic conditions and general investor sentiment. There can be no guarantee that any discount control policy will be successful or capable of being implemented. The market value of a Share may therefore vary considerably from its NAV.
- It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Shares. The Directors are under no obligation to effect repurchases of Shares. Shareholders wishing to realise their investment in the Company may therefore be required to dispose of their Shares in the market, which may have limited liquidity.
- The dividend payments to Shareholders may be lower than those targeted by the Company and there is a risk that the Company is unable to pay any dividends.

4. Key information on the offer of securities and admission to trading on a regulated market

a. **Under which conditions and timetable can I invest in this security?**

i. ***General terms and conditions***

The Initial Issue consists of a placing and an offer for subscription of Ordinary Shares which are being issued at 100p per Ordinary Share and the issue of the Consideration Shares to satisfy £23,483,694 of the consideration for the Seed Portfolio Acquisition. The total number of Ordinary Shares allotted under the Initial Placing and Offer for Subscription will be determined by the Company, Berenberg and the Investment Adviser after taking into account demand for the Ordinary Shares and prevailing economic and market conditions, subject to a maximum of 230 million Shares.

The Initial Placing and Offer for Subscription are conditional amongst other things on (i) the Placing Agreement having become unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms prior to Admission; (ii) Gross Proceeds of not less than £160 million being raised through the Initial Issue ("**Minimum Gross Proceeds**"); and (iii) Admission becoming effective not later than 8.00 a.m. on 9 November 2021 or such later time and/or date as Berenberg and the Company may agree (being not later than 8.00 a.m. on 30 November 2021).

If any of these conditions are not met or waived, the Initial Issue will not proceed and an announcement to that effect will be made through a Regulatory Information Service. If the Minimum Gross Proceeds are not raised, the Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA.

The Shares issued pursuant to the Initial Issue will be issued on 9 November 2021. The Initial Placing and the Offer for Subscription are only available to investors who can make certain warranties and representations as to their status as an investor, including that they are not a U.S. Person. The Initial Placing is only available to persons of a kind described in paragraph 5 of Article 19 and paragraphs 2(a) to (d) of Article 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.

An investor applying for Ordinary Shares under the Initial Issue may elect to receive Ordinary Shares in uncertificated form, if such investor is a system-member in relation to CREST, or in certificated form. Definitive certificates in respect of the Ordinary Shares issued in certificated form are expected to be despatched during the week commencing 15 November 2021.

Placing: The Company, the Investment Adviser and Berenberg have entered into the Placing Agreement, pursuant to which Berenberg has agreed, subject to certain conditions, to use its reasonable endeavours to procure subscribers of the Ordinary Shares to be made available in the Initial Placing. The Initial Placing is not being underwritten.

Offer for Subscription: Each investor under the Offer for Subscription is required to undertake to pay the Issue Price for the Ordinary Shares issued to such investor by cheque or bankers' draft or by electronic interbank transfer. Applications under the Offer for Subscription must be for a minimum of subscription amount of £1,000 and thereafter in multiples of 100 Ordinary Shares or such lesser amount as the Company may determine (at its discretion).

Placing Programme: Following the Initial Issue, the Placing Programme may be implemented pursuant to one or more Subsequent Placings over the next 12 months under the Placing Programme. The Placing Programme is flexible and may have a number of closing dates in order to provide the Company with the ability to issue Ordinary Shares and/or C Shares over a period of time. The last date on which Shares may be admitted to trading under the Placing Programme is 14 October 2022.

The Placing Programme may also include one or more issues of Consideration Shares to Harmony Energy and/or RBE pursuant to the Pipeline Agreement in respect of Subsequent Acquisitions (if any).

The issue of Shares under the Placing Programme is at the discretion of the Directors. The minimum subscription amount pursuant to the Placing Programme is intended to be £1,000. Each investor is required to undertake to make payment for the Shares issued to such investor pursuant to the Placing Programme in such manner as shall be directed by Berenberg. An investor applying for Shares in the Placing Programme may elect to receive Shares in uncertificated form, if such investor is a system-member in relation to CREST, or certificated form. Where applicable, definitive certificates in respect of the Shares are expected to be despatched by post to the relevant holders no later than fourteen Business Days after the relevant issue date.

ii. ***Details of admission to trading on a regulated market***

Applications will be made to the London Stock Exchange for the Ordinary Shares to be issued pursuant to the Initial Issue and for the Shares to be issued from time to time pursuant to the Placing Programme to be admitted to the Specialist Fund Segment.

iii. ***Plan for distribution***

The Company is targeting an issue of up to 230 million Ordinary Shares under the Initial Placing and Offer for Subscription. In addition, 23,483,694 Consideration Shares will be issued in respect of the acquisition of the Seed Portfolio. The maximum number of Ordinary Shares to be issued under the Initial Issue is 253,483,694 Further Ordinary Shares will be issued as Consideration Shares pursuant to the Pipeline Agreement in respect of Subsequent Acquisitions (if any). The maximum number of Shares available under the Placing Programme is intended to provide flexibility and should not be taken as an indication of the number of shares that will be issued. Any issues of Shares will be notified by the Company through a Regulatory Information Service and the Company's website, prior to each Admission.

iv. ***Amount and percentage of immediate dilution resulting from the issue***

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

v. ***Estimate of the total expenses of the issue***

The costs and expenses of the Initial Issue will not exceed 2 per cent. of the cash proceeds of the Initial Issue. Assuming the Gross Proceeds of the Initial Issue are £230 million, the costs and expenses of the Initial Issue payable by the Company are expected to be approximately £4.6 million.

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

vi. ***Estimated expenses charged to the investor***

Expenses incurred by the Company in connection with the Initial Issue will not exceed 2 per cent. of the Initial Issue. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue. The costs and expenses of any subsequent issue pursuant to the Placing Programme will depend on subscriptions received but it is expected that these costs and expenses will be covered by issuing Ordinary Shares at a premium to the NAV per Ordinary Share at the time of issue, and shall not exceed 2 per cent. of the gross proceeds of such issue. The costs and expenses of any issue of C Shares under the Placing Programme will be paid out of the gross proceeds of such issue and will be borne by holders of C Shares only.

h. **Why is this prospectus being produced?**

i. ***Reasons for the Initial Issue and Placing Programme***

The Initial Issue and the Placing Programme are intended to raise money for investment in accordance with the Company's investment policy, including the payment of the Cash Consideration in respect of the Seed Portfolio Acquisition and the Subsequent Acquisitions (if any).

ii. ***The use and estimated net amount of the proceeds***

The net proceeds of the Initial Issue are dependent on the level of subscriptions received. Assuming the gross proceeds of the Initial Issue are £230 million, the net proceeds will be approximately £225.4 million. The net proceeds of any subsequent issue pursuant to the Placing Programme are dependent, *inter alia*, on the level of subscriptions received and the price at which new Shares are issued.

The net proceeds of the Initial Placing and Offer for Subscription will be utilised to acquire battery energy storage projects in line with the Company's investment objective and investment policy. Assuming that the target gross proceeds of £230 million pursuant to the Initial Placing and Offer for Subscription ("**Target Gross Proceeds**") are raised, c. £149 million will be utilised to acquire and fund all of the Seed Projects, c. £65 million will be applied to the subsequent acquisition and funding of the Advanced Project (subject to final planning and due diligence) and the balance of c. £15.8 million used to pay Issue Expenses and for working capital purposes. In the event that the Minimum Gross Proceeds are raised, c. £149 million will be utilised to acquire and fund the Seed Projects and the balance of c. £11 million used to pay Issue Expenses and for working capital purposes. In such case, the Company may consider utilising borrowings (in accordance with its investment policy) to acquire the Advanced Project, subject to final planning and due diligence and subject to borrowings being available on attractive terms.

The net proceeds of any subsequent issue under the Placing Programme are expected to be utilised to acquire additional projects which are Pipeline Projects if and when they qualify for investment by the Company (i.e. reach 'Shovel Ready' status) and subject to final due diligence, or any other projects which the Investment Adviser may recommend in accordance with the Company's investment objective and investment policy, and for working capital purposes.

iii. ***Underwriting***

The Initial Issue is not being underwritten.

iv. ***Material conflicts of interest***

On Admission, the Company will acquire the Seed Projects from Harmony Energy and following Admission the Company may also (subject to due diligence) acquire Pipeline Projects from Harmony Energy and RBE (being a related party of Harmony Energy), in each case in accordance with the Company's investment policy. Save as identified in this paragraph, there are no interests that are material to the Initial Issue and no conflicting interests.

RISK FACTORS

Any investment in the Company should not be regarded as short-term in nature and involves a degree of risk, including, but not limited, to the risks in relation to the Company and the Shares referred to below. If any of the risks referred to in this Prospectus were to occur this could have a material adverse effect on the Company's business, financial position, results of operations, business prospects and returns to Shareholders. If that were to occur, the trading price of the Shares and/or the Net Asset Value and/or the level of dividends or distributions (if any) received from the Shares could decline significantly and investors could lose all or part of their investment. No assurance can be given that Shareholders will realise profit on, or recover the value of, their investment in the Shares. It should be remembered that the price of securities can go down as well as up.

The risks referred to below are the risks which are considered to be material but are not the only risks relating to the Company and the Shares. There may be additional material risks that the Company and the Board do not currently consider to be material or of which the Company and the Board are not currently aware.

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

RISKS RELATING TO THE COMPANY

The Company is a newly formed company with no separate operating history

The Company was incorporated on 1 October 2021, has no operating results and will not commence operations until it has obtained funding through the Initial Issue. As the Company lacks an operating history, investors have no basis on which to evaluate the Company's ability to achieve its investment objective and provide a satisfactory investment return. An investment in the Company is therefore subject to all the risks and uncertainties associated with a new business, including the risk that the Company will not achieve its investment objective and that the value of an investment in the Company could decline substantially as a consequence.

The Company may not meet its investment objective

The Company may not achieve its investment objective. Meeting the investment objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met. The Company's returns to Shareholders will depend on many factors, including the value and performance of its investments and the Company's ability successfully to execute its investment strategy. The value and performance of the Company's investments will be affected by a broad range of factors which are described in more detail below.

Target returns are targets only

The target returns set out in this Prospectus are targets only and are based on estimates and assumptions as at the date of this Prospectus about a variety of factors including, without limitation, purchase prices of battery energy storage systems and components, EPC, project development and construction costs, income and pricing from contracts with National Grid ESO and other counterparties, the potential for trading profitability in the wholesale electricity markets and/or Balancing Mechanism, performance of the Company's investments, and the availability of projects which meet the Company's minimum return parameters in accordance with the Company's investment policy, all of which are inherently subject to significant business, economic and market uncertainties and contingencies and all of which are beyond the Company's control and which may adversely affect the Company's ability to achieve such target return. The Company may not be able to implement its investment policy in a manner that generates returns in line with the targets.

Furthermore, such target return is based on the market conditions and the economic, regulatory, political and policy environment at the time of assessing the targeted returns, and are therefore subject to change. In particular, the target returns assume (save as set out in this Prospectus) that no material changes occur in government regulations or other policies, or in law and taxation, and that the Company and/or its investments are not affected by natural disasters, terrorism, social unrest or civil disturbances or the occurrence of risks described elsewhere in this Prospectus. There is no guarantee that actual (or any) returns can be achieved at or near the target returns. Accordingly, the actual rate of return achieved may be materially lower than such target returns, or may result in a partial or total loss, which could have a material adverse effect on the Company's NAV, revenues and returns to Shareholders.

Tax and regulatory risk

The Company's NAV, revenues and returns to Shareholders will be dependent on there being no material adverse change in applicable laws (including tax laws) or regulations (or their interpretation) that affects the Company, the Portfolio, any instruments issued or held by any of them or the overall structure to be adopted to effect the investment strategy and objective of the Company, as outlined in this Prospectus. See also further risk factors entitled "*Risks relating to financial markets regulation and taxation*".

Discount Management

The Directors will consider repurchasing Ordinary Shares in the market if they believe it to be in Shareholders' interests and as a means of correcting any imbalance between the supply of, and demand for, the Ordinary Shares. However, subject to the Company's discount management policy, Shareholders should note that the purchase of Ordinary Shares by the Company is at the discretion of the Directors, will only be made in accordance with the Articles and is subject to the working capital requirements of the Company and the amount of cash available to the Company to fund such purchases. Accordingly, no expectation or reliance should be placed on the Directors exercising such discretion on any one or more occasions.

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

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

In accordance with the AIC Code, the Company has established a Management Engagement Committee whose duties will be to (i) consider the terms of appointment of the AIFM, the Investment Adviser and other service providers; (ii) annually review those appointments and the terms of engagement; and (iii) monitor, evaluate and hold to account the performance of the AIFM, the Investment Adviser, the other service providers and their key personnel. However, failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company or administration of its investments. The termination of the Company's relationship with any third-party service provider or any delay in appointing a replacement for such service provider could disrupt the business of the Company materially and could have a material adverse effect on the performance of the Company, the Net Asset Value, the Company's earnings and returns to Shareholders.

Investor returns will be dependent upon the performance of the Projects and the Company may experience fluctuations in operating results

The Company may experience fluctuations in its financial results due to a number of factors, including changes in the values of investments made by the Company, changes in the amount of profits, distributions, dividends or interest received from the Portfolio, changes in the operating expenses of the Company and the Projects, variations in and the timing of the recognition of realised and unrealised gains or losses, the degree to which the Company or its investments encounter competition and general economic and market conditions. Such variability may lead to volatility in the trading price of the Shares and cause the Company's results for a particular period not to be indicative of its performance in a future period.

The Non-Pipeline Projects will not be made available to the Company, and the past performance of other Projects developed, managed, advised, invested in or operated by Harmony Energy or its personnel cannot be relied upon as an indicator of the future performance of the Company or the Project Companies. Investor returns will be dependent upon the Company successfully pursuing its investment policy and the successful

operation of the Projects. The success of the Company will depend, *inter alia*, on Harmony Energy's ability to develop suitable Projects and the Investment Adviser's ability to (i) make appropriate recommendations to the AIFM to allow the Company to acquire suitable Projects and (ii) manage and realise investments in those Projects in accordance with the Company's investment policy. This, in turn, depends on the ability of the Investment Adviser to apply its investment processes in a way which is capable of identifying suitable investments for the Company to invest in. There can be no assurance that the Investment Adviser will be able to do so or that the Company will be able to invest its assets on attractive terms, generate any investment returns for Shareholders or avoid investment losses.

Dividends

Subject to the requirement to make distributions in order to maintain investment trust status, any dividends and other distributions paid by the Company will be made at the discretion of the Directors. The payment of any such dividends or other distributions will in general depend on the Company's ability to generate realised profits from Projects, which, in turn, will depend on the ability to generate sufficient cashflows, the financial condition of the Projects, the Company's current and anticipated cash needs, the Company's costs and net proceeds on any sale of its investments, legal and regulatory restrictions affecting the Projects and such other factors as the Directors deem relevant from time to time. As such, investors should have no expectation as to the amount of dividends or distributions that will be paid by the Company or that dividends or distributions will be paid at all.

Risks relating to the UK's exit from the European Union

The UK withdrew from and ceased to be a Member State of the EU and the EEA at 11:00 p.m. GMT on 31 January 2020 ("**Brexit**") and the withdrawal agreement that was negotiated between the UK and the EU in October 2019 came into effect.

There remains a risk that Brexit could lead to unpredictable and ultimately unfavourable economic circumstances in the UK, which could have a material adverse effect on the business, financial position, results of operations and business prospects of the Group. Such economic position could also lead to unpredictable movements in foreign exchange rates. BESS Projects are reliant on the acquisition of battery cells which may be priced in non-GBP currency, and exchange rate movements could therefore lead to positive or negative movements in the Company's NAV and returns to Shareholders.

A divergence in EU and GB energy regulatory policy, including in relation to the market coupling mechanism that operates between wholesale markets at the day-ahead stage, could also result in different wholesale prices in Great Britain and markets connected to Great Britain by electricity interconnectors than would otherwise be the case. Depending on the outturn of these prices, the arbitrage value for BESS Projects could be affected positively or negatively.

Risks relating to Scottish Independence

The Company could face potentially significant uncertainty if a second Scottish Referendum were to be held and had a "vote leave" result. Although it is possible that the position on renewable electricity generation may change, the current Scottish administration continues to be very supportive of renewable energy and identify this as a key area of strength for Scotland, as the country has very substantial renewable energy resources. In the event of Scottish independence, the expectation would be that the administration would continue to support renewable energy generation. In particular, Scottish Renewable Obligations are currently eligible for use by Great Britain suppliers in meeting their obligations throughout Great Britain, rather than just in Scotland. If Scottish independence occurred, there would be concerns about legislative change, potential uncertainty in terms of budgetary constraints and what the impact on the Great Britain grid infrastructure might be. In the event of Scotland becoming independent under the current administration and subsequently a different administration being elected, there would again be a possibility of change in policy, although this is no different to the possibility of change in Government UK-wide.

The Seed Portfolio includes a BESS Project located in Scotland. Revenues for projects located in Scotland are expected to be reliant on certain system constraints related to the flow of electricity from Scotland to England. Should Scotland vote to leave the United Kingdom, there is an expectation that electricity would continue to flow between Scotland and England as it does today. Should this not be the case, the revenue generated by Projects located in Scotland or England, as well as the NAV and returns of the Company, could be negatively or positively impacted.

Borrowing risk

Although there is no present intention to utilise borrowings for investment purposes, the Company does intend to assess its ability to raise debt and is expected to introduce leverage (at the Company level and/or Project level) in the future to the extent funding is available on acceptable terms. In addition, it may, where the Board deems it appropriate, use short term leverage to acquire assets, which could be achieved through a loan facility or other types of collateralised borrowing instruments. Such leverage will not exceed 49 per cent. of Net Asset Value at the time of drawdown. While the use of borrowings can enhance the total return on the Shares where the return on the Company's underlying assets is rising and exceeds the cost of borrowing, it will have the opposite effect where the return on the Company's underlying assets is rising at a lower rate than the cost of borrowing or falling, further reducing the total return on the Shares. As a result, the use of borrowings by the Company may increase the volatility of the NAV per Share.

Any reduction in the value of the Company's investments may lead to a correspondingly greater percentage reduction in its NAV (which is likely to adversely affect the price of Shares). Any reduction in the number of Shares in issue (for example, as a result of share buybacks) will, in the absence of a corresponding reduction in borrowings, result in an increase in the Company's level of gearing.

To the extent that a fall in the value of the Company's investments causes gearing to rise to a level that is not consistent with the Company's gearing policy or borrowing limits, the Company may have to sell investments in order to reduce borrowings, which may give rise to a significant loss of value compared to the book value of the investments, as well as a reduction in income from investments.

RISKS RELATING TO THE HARMONY GROUP

Reliance on the Harmony Group

The Company has no employees and the Directors have all been appointed on a non-executive basis. Therefore, the Company is to a large extent reliant upon the Harmony Group and other third party service providers for the performance of certain functions. In particular, the Portfolio requires significant management time and resource to be provided by, among others, the Investment Adviser and Harmony Energy, in order to enable the Company to meet its investment objective.

Reliance on key personnel

In accordance with the Investment Advisory Agreement, the Investment Adviser will be responsible for advising the AIFM and the Company in relation to the management of the Portfolio and may sub-contract specific services to Harmony Energy to ensure fulfilment of these responsibilities. As a result, the Projects and the Company will be dependent on the individuals employed by, or the entities contractually bound to perform services for, the Harmony Group and if Harmony Group entities were no longer able to provide the services under the Investment Advisory Agreement this could have a material adverse effect on the performance of the Company's NAV, revenues and returns to Shareholders.

The Company depends on the diligence, skill and judgment of the Harmony Group's investment professionals and project developers (including the Investment Adviser), the information and deal flow they generate during the normal course of their activities and their ability to properly develop and operate the Projects. The Company's future success depends on the continued service of these individuals, who are not obliged to remain employed by, or contractually bound to perform services for, the Harmony Group, and the Harmony Group's ability to strategically recruit, retain and motivate new talented personnel as required. However, the Harmony Group may not be successful in its efforts to recruit, retain and motivate the recruited personnel, as the market for qualified investment professionals and project developers is extremely competitive.

Contractual limitations on liability of, and indemnification in favour of, the Harmony Group

Under the Investment Advisory Agreement, the Investment Adviser agrees to perform its obligations to a specified standard of care, provided that the Investment Adviser will not be liable for any loss or damages resulting from any failure to satisfy the standard of care except in certain limited circumstances. If a liability were to be incurred by the Company in a situation where the Investment Adviser had acted in accordance with its standard of care, the Company would (except in certain limited circumstances) have no recourse to the Investment Adviser and such liabilities would be for the account of the Company. This could have a material adverse effect on the performance of the Company's NAV, revenues and returns to Shareholders.

Additionally, under the Investment Advisory Agreement the Company will be required to indemnify the Investment Adviser and its affiliates, managers, directors, officers, partners, agents and employees, from and against all liabilities incurred in connection with the Investment Advisory Agreement (except to the extent such liabilities are incurred as a result of any acts or omissions of the Investment Adviser that constitute a material breach of such agreement or are otherwise outside the scope of such indemnities). As a result, if such liabilities arise, the Company may be required to make payment under such indemnities, which could have a material adverse effect on the performance of the Company's NAV, revenues and returns to Shareholders.

Harmony Group conflicts of interest

The Company has identified and sought to mitigate key conflicts of interest between the Company and the Harmony Group and/or Ritchie-Bland Energy (Number 2) Ltd. ("**RBE**"), which is a related party of Harmony Energy, with regard to:

(a) the terms on which Projects are acquired by the Company pursuant to the Seed Portfolio Share Purchase Agreement and the Pipeline Agreement; and

(b) the potential for Harmony Energy to develop and/or seek funding for (via a disposal, joint venture or otherwise) battery energy storage and/or renewable generation projects on behalf of (or in collaboration with) third party investors other than the Company.

The conflicts of interest arise in relation to this issue because:

(i) The initial Acquisition of the Seed Portfolio will be from Harmony Energy itself;

(ii) Subsequent Acquisitions of Exclusivity Projects are intended be acquired from Harmony Energy or Harmony Energy and RBE, which is a related party of Harmony Energy, as the Pipeline Sellers; and

(iii) there may also be Subsequent Acquisitions of Extended Pipeline Projects from Harmony Energy and/or RBE, on arm's-length terms which have yet to be agreed between the parties.

RISKS RELATING TO THE PORTFOLIO INVESTMENT STRATEGY

Macro risks

Growth (or decline) of the renewables sector

A significant factor contributing to the expected growth of the energy storage market relates to the expected continued growth of renewable energy as a proportion of total generating capacity in the UK and overseas, and the resulting need to manage intermittency, balancing and other system stresses. If the growth of renewable energy does not continue as expected (for example, due to low energy prices, reduced Government support, increased deployment of non-renewable/fossil fuel generating capacity such as gas fired or nuclear power stations, improvements in fossil fuel technologies such as combined cycle or open cycle gas turbines or increased imports from cross-channel interconnectors), this could have an adverse impact on the Company's prospects and performance.

Over-Supply of Battery Storage

Commercial battery energy storage systems rely on contracts with National Grid ESO and pricing volatility within (i) the balancing mechanism which is used by National Grid ESO to manage system constraints, procure reserve and balance the supply and demand of energy in real time ("**BM**") and (ii) wholesale electricity markets, in order to generate revenues. To the extent the supply of capacity provided by such asset class exceeds demand, the pricing of National Grid ESO contracts could reduce and pricing volatility within the BM and wholesale electricity markets could decline, adversely impacting the revenues which can be generated by a battery and, to the extent such impact affects the Projects, the NAV and returns of the Company.

Energy market regulations

The revenue generated by each of the Projects and its associated costs will be dependent on various energy market codes and regulations. The Gas and Electricity Markets Authority within the Office of Gas and Electricity Markets ("**Ofgem**") regulates Great Britain's energy markets through licensing certain activities such as generation (with batteries being a sub-set of generation), supply, and distribution/transmission network operation. A series of industry codes and agreements sit alongside these licences, which include

more detailed rules and market processes. These include the Connection and Use of System Code, the Balancing and Settlement Code, the Grid Code, the Distribution Use of System Agreement and the Distribution Code. Ofgem must consult with industry before implementing any changes to the codes and industry representatives are provided with an opportunity to help develop and propose changes to the codes, with Ofgem carrying the deciding vote on any changes. A future change in UK Government or Ofgem's direction regarding the design of the energy market, network charges, access to networks or a change in industry consensus around detailed market rules could lead to unfavourable energy or grid policies which may negatively affect the future availability of attractive energy storage systems for the Company to invest in, as well as those projects already acquired by the Company under current electricity market/grid regulations.

Creation of the Future System Operator

In July 2021, the Department of Business, Energy and Industrial Strategy (BEIS) announced a consultation into the creation of a Future System Operator which would take on the existing roles of the Electricity System Operator ("**ESO**") (currently a National Grid company). A new entity could operate in a manner substantially different to the existing ESO. The ESO is a key customer for BESS Projects, and therefore any change could have a positive or negative impact on the revenues generated by a BESS Project and the returns and NAV of the Company.

Growth of Demand Side Response

BESS Projects represent one solution to managing increasing intermittency of energy generation. An alternative solution relates to the ability of electricity users to flexibly alter their demand in response to market signals. In particular it is envisaged that smart charging of electric vehicles, or in some circumstances allowing electric vehicles to export electricity from their batteries (known as "Vehicle to Grid" or "V2G" technology) could represent an alternative to stationary battery storage. Should this technology become mainstream, or other demand side responses such as behind-the-meter battery projects grow, this could increase competition in the markets in which the Projects are intending to operate and therefore adversely impact the revenues which can be generated by BESS Projects as well as the NAV and returns of the Company.

Pricing of Natural Gas and Carbon Taxes

Commercial battery energy storage systems do not have direct exposure to fluctuations in gas or carbon prices. However, one of the main competitors to batteries in the BM is traditional thermal generators which use gas as their primary fuel. If the underlying price of natural gas or carbon tax declines, such thermal plants will become more competitive, putting downward pressure on power pricing which could materially adversely affect the revenues which could be achieved by BESS Projects, and consequently the Company's NAV and returns to Shareholders.

Changes in economic conditions

Changes in general economic and market conditions including, for example, interest rates, rates of inflation, foreign exchange rates, industry conditions, competition, political events and trends, tax laws, national and international conflicts and other factors could substantially and adversely affect the Company's NAV, revenues and returns to Shareholders.

Natural disasters, climate change and political, social or other risks

Events beyond the control of the Company or the Projects, such as natural disasters, climate change, war, insurrection, civil unrest, strikes, public disobedience, computer and other technological malfunctions, telecommunication failures, physical and cyber terrorism, crimes, nationalisation, national or international sanctions and embargoes, could materially adversely affect the Company's NAV, revenues and returns to Shareholders.

Natural disasters, severe weather conditions, flooding (as recently experienced by parts of Great Britain), lightning or accidents could also damage the energy storage systems or the ability of engineers to access the relevant sites, or require the shutdown of, the energy storage systems, their equipment or connected facilities. These events may occur or be exacerbated by local and global climate change. Whilst the Company considers appropriate measures in relation to each Project to mitigate against such risks, e.g. flooding prevention measures, there can be no guarantee that the operation of Projects will not be impacted through

such events, which could have an adverse effect on the revenues generated by an affected site, and consequentially have a negative impact on the Company's financial returns.

Such events may have a variety of adverse consequences for the Projects, including risks and costs related to the damage or destruction of property, suspension of operation, construction delays (and associated non-performance penalties), and injury or loss of life, as well as litigation related thereto. Such risks may not always constitute contractual force majeure, and may not always be insurable (or may only be insurable at uneconomic rates).

COVID-19

To the extent that the COVID-19 pandemic persists post-Admission, such ongoing pandemic could adversely impact the operations of the Project Companies, and therefore could adversely affect the ability of the Company to deliver income and capital returns to Shareholders. For example, there is a risk that suitable specialist personnel are unable to attend sites when required to ensure the Projects are operating to their full potential; the timetable and general ability to construct or commission Projects may be adversely impacted; and global and/or regional travel restrictions may delay the commissioning of Projects and may constrain supply chains.

The energy markets in which battery energy storage systems are currently operating have also seen some disruption due to the COVID-19 pandemic. Specifically, as a result of lockdowns globally, demand for natural gas was significantly reduced in 2020 with very limited notice. Due to limited natural gas storage capacity, gas was being sold at prices below the cost of production. This low natural gas pricing flowed through to very low electricity pricing, as gas fired power stations were able to take advantage of the lower cost of fuel, which in turn suppressed the spread between low and high pricing in the wholesale markets and BM. Dysfunctional markets could adversely impact the trading operations of the Project Companies and have a negative impact on the Company's financial performance.

Untested nature of long term operational environment for battery energy storage systems

Given the long term nature of battery energy storage systems and the fact that battery storage plants are a relatively new investment class, there is limited experience of the operational problems that may be experienced in the future, both in a commercial context (i.e., the operation of revenue generating contracts) and a technological context (i.e., the battery modules themselves, including rates of degradation), which may affect BESS Projects, the BESS Project Companies and, therefore, the Company's investment returns.

New energy storage technologies

Although the Projects utilise, or will utilise, lithium-ion batteries, the Company will generally be adaptable about which technology it utilises in its Projects as and when circumstances require. The Company does not presently see any energy storage technology which is a viable alternative to lithium-ion batteries for the target markets and activities for the Projects, due to their widespread use in mobile phones, electric cars and other devices and consequent pricing, performance track record and established infrastructure benefits. However, lithium-ion battery manufacturing is subject to supply chain constraints, including in relation to supply of lithium, nickel and cobalt. There are a number of technologies being researched which, if successfully commercialised, could eventually prove more favourable than lithium-ion, including for supply chain and environmental reasons. The Company will closely monitor such developing battery technologies (such as sodium and zinc derived technologies) and other forms of energy storage technology (such as flow batteries/machines and compressed air technologies) and will consider adopting such technologies for new projects where appropriate. However, existing lithium-ion projects may, as a result, prove less economical and therefore earn lower returns in comparison or be outbid for competitively procured services (such as frequency response). This could have a material adverse impact on the financial performance of the Company.

Other new non-storage technologies

While the Company considers lithium-ion battery technology to be the most competitive provider in its target markets (e.g., trading activities, capacity market and balancing services), other non-storage technologies may enter the market with the ability to provide similar services to a lithium-ion battery at lower cost. In such a scenario, and with sufficient scale in technology development and deployment into the market, lithium-

ion batteries could be outbid for contracts and customers, which could adversely affect the Company's NAV, revenues and returns to Shareholders.

Operational risks

Pre-Construction Risk and Construction Risk

The Seed Projects (and other Projects that the Company may acquire from time to time) are subject to pre-construction and construction risks, including in particular:

(i) *Planning*

The Seed Projects require amendments to their planning permissions to reflect the final technical specifications of the project and ancillary infrastructure. Whether the proposed amendment(s) are considered to be 'non-material' or 'minor material' for the purposes of the Town and Country Planning Act 1990 (as amended) ("**TCPA**") (or the equivalent legislation applicable in Scotland) will depend on the specific details of the existing planning permission, the context of the site and the final specifications of the project. A change which may be considered non-material in one case could be minor material in another. The time period for a non-material amendment under Section 96A of the TCPA is up to 28 days (though it can be less), or a longer period if that has been agreed in writing. The time period for a decision in respect of an application under Section 73 of the TCPA (application to develop land without compliance with conditions) which can cover minor material amendments which still fall within the original description of development (a "**Section 73 Application**") is eight to thirteen weeks, depending on the size of the property (a similar regime applies in Scotland, though there are some differences in how these operate. The Section 73 approach creates a new planning permission (though leaving the original consent intact) and hence is subject to the normal judicial review claims for up to six weeks from the date the new planning permission is actually issued. Whilst the Company has received expert planning advice to the effect that in many cases, the Seed Projects only require non-material amendment(s) to their planning permissions, if one or more Section 73 Applications were required then it could delay construction of the relevant Seed Projects. Further details of these issues are set out below under Planning Risks.

(ii) *Property*

The Seed Projects (and other Projects the Company may acquire from time to time) will have options to lease, rather than completed leases or agreements for lease at the time acquired by the Company. These provide contractual rights rather than a property interest of the type created by a completed lease, and may reduce the efficacy of title due diligence that can be carried out by the Company through review of certificates of title or other property due diligence. There is no guarantee that issues will not arise in relation to exercise or extension of the relevant option to lease, for example if a matter to be agreed between the parties could not be agreed or the other party to the option agreement became insolvent or ceased to exist, in which case the Company and its contractors ability to enter onto and commence construction on the relevant property may be delayed or prevented. Moreover, reliance upon a third party owned property gives rise to a range of risks including damages or other lease-related costs, counterparty and third party risks in relation to the lease agreement and property and early termination of the lease, as further described below under Third party ownership of property.

(iii) *Grid Connection*

The Seed Projects (and other Projects the Company may acquire from time to time) may be subject to confirmation of connection costs and completion schedules with the relevant DNO or TSO. There can be no guarantee that this will not lead to increases in the costs and/or delays in the construction of Shovel Ready Projects, including the Seed Projects.

(iv) *Construction and EPC risk*

The Company intends to acquire (among other Projects) Shovel Ready Projects and Under Construction Projects, including the Seed Projects, and as a result, the Company may be exposed to certain risks associated with owning or funding a Project prior to commissioning. Whilst the Company will seek to minimise uncertainty through the final EPC contracts, there are certain areas which remain subject to variation as a result of circumstances beyond the Company's control. Cost overruns, construction delay and construction defects which may be outside the Company's control but not the responsibility of the EPC contractor (for example force majeure events and unexpected costs

associated with securing grid connection (see above)) could all result in increases in the costs and/or delays in the construction of Shovel Ready Projects, including the Seed Projects.

Any of the above risks could adversely impact the Company's NAV, revenues and returns to Shareholders.

Tesla is a key supplier to the Seed Project Companies and the Advanced Project

Under the terms of the Framework Agreement, it is intended that the Project Companies holding the Seed Projects (other than the Pillswood Project, which already benefits from the Pillswood Tesla Contracts) and the Advanced Project will contract with Tesla for the supply of EPC, O&M and Revenue Optimisation and other services and supply of battery systems, and a failure by Tesla may materially disrupt the development of the relevant Projects and the business of the Company.

Sector and geographical concentration risk

The Company's investment policy has an initial focus on energy storage infrastructure, which will principally operate in Great Britain. This means that the Company has a significant concentration risk relating to the energy storage infrastructure sector in Great Britain. Significant concentration of investments in any one sector or geography may result in greater volatility in the value of the Company's investments, and consequently the NAV, and may materially and adversely affect the performance of the Company and returns to Shareholders.

Tesla Framework Agreement

The Framework Agreement will provide the Company with a level of certainty regarding pricing and timing of delivery of the Seed Projects and the Advanced Project (other than the Pillswood Project, which already benefit from the Pillswood Tesla Contracts) by Tesla. The Framework Agreement also appends pro forma versions of key documents relating to the EPC Full Wrap and Tesla Services with key terms agreed. Notwithstanding the Framework Agreement, the Company and the relevant Project Company are still required to finalise and sign individual contracts in relation to the Full Wrap EPC and Tesla Services in relation to each Seed Project and the Advanced Project (other than the Pillswood Project, which (as noted above) already benefits from the Pillswood Tesla Contracts), including a guarantee by the Company of the relevant Project Company's obligations. There is a risk that the signing of these contracts is delayed, which could result in a material delay to the delivery of the relevant Project. This could have an adverse impact on the timing of revenues produced by the relevant Project, and adversely impact the financial returns and NAV of the Company. Furthermore, if Tesla were to default on its obligations under the Framework Agreement and/or the individual Full Wrap EPC contracts are not signed, the Company may need to tender for a replacement contractor which could create significant delay, and could potentially add additional, unbudgeted cost to the delivery of the relevant Projects. This would have an adverse impact on the timing of revenues produced by the Projects, and adversely impact the financial returns and NAV of the Company.

Health and safety risks

The physical location, maintenance and operation of an energy storage plant may pose health and safety risks to those involved. The operation of an energy storage plant may result in bodily injury or industrial accidents, particularly if an individual were to be burned, crushed, electrocuted or suffer from another form of injury. There have been incidents of lithium-ion batteries catching fire or exploding, particularly when a battery is overcharged or crushed. If an accident were to occur in relation to one or more of the Projects, the Company and/or the relevant Project Company could be liable for damages or compensation to the extent such loss is not covered under existing insurance policies. Liability for health and safety could have a material adverse effect on the Company's NAV and revenues and returns to Shareholders.

Balancing services contracts, pricing and relationship with National Grid ESO

The revenues to be generated by the BESS Projects will depend, in part, on the price each such BESS Project is able to obtain for providing various balancing services to National Grid ESO, including in particular Firm Frequency Response ("**FFR**") and Dynamic Containment ("**DC**"). Any breakdown in relations between any of the Company, a BESS Project Company or Revenue Optimiser with National Grid ESO could reduce the ability of the Company and/or any BESS Project to compete for balancing services contracts and could therefore have an adverse impact on the Company's NAV, revenues and returns to Shareholders.

The current UK FFR service is procured by National Grid ESO via both monthly and weekly tender processes, however this tender process is expected to move to a day ahead auction structure similar in nature to DC auctions, which were introduced in October 2020. Each BESS Project will only begin participating in balancing service contract auctions post-acquisition by the Company, and once construction and commissioning is complete.

The Company assumes the third party Revenue Optimiser will dedicate a higher proportion of each BESS Project's capacity to wholesale trading and the BM, and so the Investment Adviser assesses forecasted revenues based on alternate opportunities in respect of each of the sites. The Investment Adviser makes investment recommendations based on price forecasts and so a lower-than-expected market price of balancing services and/or revenues generated from wholesale and balancing markets could materially adversely affect the Company's revenues and ability to meet targeted returns. Furthermore, the Company cannot guarantee that market prices of balancing services will remain at levels which will allow the Company to maintain target dividend distributions or rates of return on the BESS Projects within the Portfolio. A significant drop in market prices for balancing services would have a material adverse effect on the Company's NAV and revenues and returns to Shareholders.

NGET is a subsidiary of National Grid plc and is the owner and operator of the electricity transmission network in England and Wales. The system operator (responsible for, amongst other things, balancing the system) for Great Britain is National Grid Electricity System Operator Limited ("**National Grid ESO**" or "**NG ESO**"). NGET has a Moody's credit rating of Baa1, however the UK Government does not guarantee its solvency. If either of NGET or NG ESO were to collapse, or if their financial strength were to materially deteriorate, their respective obligations as a counterparty in respect of each of the BESS Project Companies may be seriously impacted or become worthless, which could materially affect the Company's NAV and revenues and returns to Shareholders.

Volatility of electricity prices affecting asset optimisation opportunities

One of the other expected major sources of revenue for BESS Projects is from trading activity, also described as energy trading or price arbitrage (often a key part of asset optimisation). This is dependent on the spread of the price at which electricity can be imported (for charging) and exported (upon discharging). A lower than expected volatility in the market price of electricity, or a smaller spread between buy and sell prices, could adversely affect the Company's revenues and financial condition. The Company cannot guarantee that electricity market price volatility and/or a BESS Project Company's ability to capture spreads will be at levels or frequency which will allow the Company to generate projected revenue levels or rates of return on the energy storage systems within its Portfolio. Each Project Company will contract with third party service providers to undertake asset optimisation for the Project Companies, which include energy trading optimisation services. There are no minimum revenue requirements or guarantees in the asset optimisation arrangements and the Group's protection against underperformance is limited primarily to exercising termination rights under the optimisation services contracts and then seeking a replacement asset optimiser. In certain circumstances, the asset optimiser holds revenues in their accounts before passing them through to the Project Companies and in such cases the Project Companies are subject to the credit risk of the asset optimiser. A significant drop in volatility of market prices for electricity whilst the Group is pursuing this revenue stream would have an adverse effect on the Company's NAV and revenues and returns to Shareholders.

The Company is exposed to counterparties who may fail to perform their obligations under O&M contracts

The Projects will rely on third-party professionals and independent contractors and other service providers, which will generally be selected by the Company to provide the required operational and maintenance support services (where required) throughout the construction and operating phases of the Projects. In the event that such contracted third parties are not able to fulfil their obligations or otherwise fail to perform to standard, the Projects may be forced to seek recourse against such parties, provide additional resources to undertake their work, or to engage other companies to undertake their work. However, legal action, breach of contract or delay in services by these third-party professionals and independent contractors could have a material adverse effect on the Company's NAV, revenues and returns to Shareholders. The Company's ability to invest in and operate energy storage systems could be adversely affected if the contractors with whom the Company wishes to work do not have sufficient capacity to work with the Company on its chosen projects. In addition, if the quality of a contractor's work does not meet the requisite

requirements, this could have an adverse effect on the construction and operations, and financial returns of such projects, as well as the Company's reputation. Where an O&M contractor, or any other contractor, needs to be replaced, whether due to expiry of an existing contract, insolvency, poor performance or any other reason, the Company will be required to appoint a replacement contractor. Any such replacement contractor may come at a higher cost. If it takes a long time to find a suitable contractor, it could potentially lead to delays, lower technical and operating performance or downtime for the relevant asset or cancellation of key contracts. This could have a material adverse effect on the Company's NAV, revenues and returns to Shareholders.

The Company is exposed to counterparties who may fail to perform their obligations under EPC contracts or other construction contracts

The Company expects to acquire projects on which, at a minimum, key contractual terms with third-party EPC contractors are in agreed form. As part of these EPC contracts, the EPC contractor gives warranties and guarantees in respect of its defect rectification obligations and the performance of the plant and is liable to pay associated damages to compensate for unavailability and subsequent lost revenues. The battery system will typically benefit from a 15 year performance and availability guarantee, although there can be no guarantee that future (or replacement) EPC contractors will provide a performance and availability guarantee for a full 15 year term. Other equipment will usually be warranted for at least the first two years of the plant's operational life, with business interruption insurance in place to cover breakdown beyond this point. Where an EPC contractor has not fulfilled their contractual duties and/or the performance of the plant falls below the guaranteed levels, the relevant Project will pursue all means to recover any losses resulting therefrom, including under the performance guarantees, and pursue the EPC contract under the defects correction provisions to correct any faults uncovered. In the event the EPC contractor is not able to cover their contractual liabilities, the Company's financial position, results of operations and ability to pay Shareholder dividends may be adversely impacted. If the construction is delayed for any reason (for example, due to extended periods of adverse weather conditions) this could delay commissioning and lead to the loss of a revenue contract for the project (or damages for delay under such contracts) and, consequently, adversely impact the level of revenue achieved by the asset.

Changes in procurement of balancing services

The procurement details and contract designs that National Grid ESO uses for different balancing services currently vary and are undergoing reform. For example FFR contracts are tendered monthly for the month ahead whereas Dynamic Containment contracts are tendered daily for the day ahead (in 4-hour blocks). Dynamic Containment has also recently moved from being tendered on a "pay-as-bid" basis to a "pay-as-clear" basis. This could have a positive or negative impact on the value of such contracts and therefore the returns and NAV of the Company.

Changes in the specification of services (for example, response time or duration of delivery) may require the Projects Companies to incur additional investment and set-up costs which may adversely affect the Company's NAV and revenues and returns to Shareholders.

Batteries are subject to degradation and the risk of equipment failure

Battery systems degrade gradually with reduced capacity and cycle life due to chemical changes to the electrodes over their life time. The degradation effect can be separated into calendar loss and cycling loss. Calendar loss results from the passage of time and cycling loss is due to usage and depends on both the maximum state of charge and the depth of discharge. Although the battery manufacturers provide certain warranties on a battery degradation schedule based on certain operating conditions and the lifespan of the battery, the operation of the battery may fall outside of the warranty conditions due to unexpected events. Also the Projects may continue to operate the battery beyond the period covered by the degradation warranty of the battery manufacturers and these may result in unexpectedly lower performance of battery assets. The Company's investment will take into account the realistic degradation profile of the batteries based on the Company's assessment of the supplier's battery technology, however this may be higher than the warranted degradation profile and the asset may not meet its expected performance at the time of acquisition or over its operational life, even if the use of the battery is within the warranted period and conditions. As a result, and to the extent not covered by the warranties, any such excess battery degradation may necessitate greater than expected repair and maintenance expenses or the requirement for replacement of some or all of the battery modules or components earlier than anticipated.

There is also a risk of equipment failure due to wear and tear, design error or operator error in connection with the energy storage system and this failure, among other things, could adversely affect the returns to the Company.

Balance-of-plant equipment is subject to degradation and the risk of equipment failure

Battery energy storage plants contain a multitude of technical, electronic, mounting structures and other components, commonly referred to as "balance-of-plant". Balance-of-plant components are subject to possible theft of components over an energy storage plant's lifespan. There is a risk of unexpected equipment failure or decline in performance over the life cycle of the plant which would adversely affect the plant's technical and financial performance.

Prices for battery systems may decline faster than expected

The prices paid for battery systems are a key component of the total cost of an energy storage system. It is expected that prices of such systems will decline due to the expected growth in the supply and demand for the lithium-ion batteries; therefore the Company intends to select energy storage projects that have this type of technology to invest in. The Company has made certain assumptions in its financial modelling relating to the declines in prices for battery systems. However, if prices fall faster than expected, the returns implied by existing projects may be lower than expected if and to the extent that this lower capital cost flows through to market pricing for ancillary services and/or arbitrage revenues.

Technological and operational risks may not be covered by warranties or insurance

Although the Company will procure that appropriate legal and technical due diligence is undertaken in relation to each Project in connection with any proposed acquisition thereof, this may not reveal all facts and risks that may be relevant in connection with an investment. In particular, if the operation of projects has not been duly authorised or permitted, it may result in closure, seizure, enforced dismantling or other legal action in relation to such projects. Certain issues, such as failure in the construction of a plant (for example, faulty components or insufficient structural quality), may not be evident at the time of acquisition or during any period during which a warranty claim may be brought against the contractor. Such issues may result in loss of value without full or any recourse to insurance or construction warranties.

Warranties and performance guarantees typically only apply for a limited period, and may also be conditional on the equipment supplier being engaged to provide maintenance services to the project. Performance guarantees may also be linked to certain specified causes and can exclude other causes of failure in performance, such as unscheduled and scheduled grid outages. Should equipment fail or not perform properly after the expiry of any warranty or performance guarantee period and should insurance policies not cover any related losses or business interruption, the Company or relevant Project Company will bear the cost of repair or replacement of that equipment.

Under the acquisition documentation the Company will receive the benefit of various warranties in relation to the projects that it acquires subject to certain standard limitations, including disclosure, time limitations, materiality thresholds and liability caps. To the extent that any material issue is not covered by the warranties or is excluded by such limitations or exceeds such cap, the Company will have no recourse against the vendor. Even if the Company does have a right of action in respect of a breach of warranty, there is no guarantee that the outcome of any claim will be successful or that the Company will be able to recover anything.

In addition, operational battery energy storage plants remain subject to on-going risks, some of which may not be fully protected by contractor, manufacturer or vendor warranties, including but not limited to security risks, technology failure, manufacturer defects, electricity grid forced outages or disconnection, force majeure events or natural disasters. Energy storage technology continues to evolve and, as manufacturers continue to develop and change technology, this may result in unforeseen technology failures or defects.

Any unforeseen loss of performance and/or efficiency in battery modules, beyond the warranted degradation, on an acquired or developed asset could have a negative effect on the yields produced by an energy storage plant and, as a consequence, could have a material adverse effect on the Company's NAV, revenues and returns to Shareholders. In addition, any unforeseen loss or reduction of performance of other technology components of an energy storage plant (such as the inverters, wiring, electronic components, switchgear

and interconnection facilities) could have a material adverse change on the Company's NAV, revenues and returns to Shareholders.

Availability of insurance

Not all potential risks, losses, liabilities to third parties and repair costs in relation to the operation of the Projects are capable of being, or will be, covered by insurance policies at all or on acceptable terms. For example, losses as a result of force majeure, natural disasters, terrorist attacks or sabotage, cyber-attacks and other cyber-crime, environmental contamination, grid outages, theft or other criminal activity may not be available at all or on commercially reasonable terms, or a dispute may develop with the Company's insurers over insured risks. The Company cannot guarantee that its existing or future insurance policies will cover all possible losses resulting from grid outages, equipment failure, repair, replacement of failed or stolen equipment, environmental liabilities, theft or legal actions brought by third parties (including claims for personal injury or loss of life). The uninsured loss, or loss above limits of existing or future insurance policies, could have an adverse effect on the Company's NAV, revenues and returns to Shareholders.

In cases of frequent losses or damage, insurance contracts might be amended or cancelled by the insurance company or the insurance premium levels will be increased, in which case the Company and/or the Project Companies may not be able to maintain insurance coverage comparable to that currently in effect or may only be able to do so at a significantly higher cost. An increase in insurance premium cost could have an adverse effect on the Company's financial position and business prospects.

Inability to control operating expenses and maintenance

The profitability of a battery energy storage system over its full life is dependent, among other things, on the owner's ability to manage and control the operating expenses of the asset. Operating expenses include rent under any lease, business rates, the cost of importing electricity to charge the batteries, insurance coverage and operation and maintenance costs, as well as other selling, general and administrative costs. In addition, a plant's profitability over its life is also dependent on the owner's ability to manage and control investment costs during the operational phase. Other costs at plant level include replacing faulty technology components (such as battery modules, inverters, cables, interconnection gear and module control systems) that are not covered by supplier warranties or guarantees and rebuilding the plant following any unexpected event (such as fire, flooding, theft, burglary or acts of vandalism not covered by insurance providers). As a result, the inability of Projects to control investment costs may adversely affect the Company's NAV, revenues and returns to Shareholders.

Capacity market contracts and pricing

Some revenues generated by the Portfolio will be dependent on the price the Projects are able to secure for providing capacity through capacity market auctions. The Company will initially focus on acquiring Shovel Ready projects. Projects which require a significant capital expenditure can qualify for capacity market contracts of up to 15 years. Whilst it is envisaged that most Projects will benefit from 15 year capacity market contracts, it is possible that the Company will choose to accept shorter duration contracts if this is deemed commercially more attractive (as advised by the Investment Adviser). The minimum contract duration is one year. It is also possible that Projects will not have capacity market contracts in place at the point of acquisition by the Company. In such circumstances there will be uncertainty on the amount of revenue that will be generated under such capacity market contracts, which could be subject to change on an annual basis.

Revenue Optimisation provider and electricity supplier risk

In relation to each Project, the Company will contract with a third party company to provide revenue optimisation services to such Project ("**Revenue Optimisers**"). Revenue Optimisers offer a range of services which include market access, optimisation of market selection, submission of bid and offer pricing into a range of markets and the physical dispatch of the Projects. The Investment Adviser intends to retain control of the revenue optimisation strategy of the Project Companies through (a) the agreement of, and ongoing monitoring of adherence to, trading and operating policies; and (b) regular strategy meetings to be held with the relevant Revenue Optimiser(s). However the Revenue Optimiser will have discretion to make day-to-day decisions in order to maximise profit, whilst having due regard to the technical and commercial constraints set out in such policies (for example, ensuring the facility is operated within the agreed warranty provisions).

The Revenue Optimiser may hold some part of a Project's revenues on an unsecured basis for short periods of time (but potentially several months) and the Company will take on credit risk based on the covenant strength of the relevant Revenue Optimiser. The initial intention of the Company is to appoint Tesla as Revenue Optimiser in relation to all Seed Projects and the Advanced Project, so the aggregate credit risk will be concentrated on Tesla.

The Group may also rely on licensed electricity suppliers for the purchase of import electricity and/or the sale of export electricity to/from the Projects. This is usually structured under the services contract with the Revenue Optimiser, since most Revenue Optimisers hold the relevant licences in this respect. Depending on the contractual framework for the optimisation services from an alternative supplier, some Project Companies may need to enter into separate power purchase agreements ("**PPAs**") and/or electricity supply contracts ("**ESCs**") for such arrangements with creditworthy suppliers/off-takers.

The Group may try to mitigate exposure to electricity import/export prices through PPAs, ESCs and/or trading mechanisms in the optimisation contract which contain price stabilising mechanisms, such as fixed prices or price floors. Project Companies which share a grid connection/metering arrangements with a commercial or industrial energy user or which co-locate with a generating station (i.e., on behind-the-meter projects) may have a shared electricity supplier arrangement with such other user/generator for the aggregated electricity import/exports based on agreed methodology to allocate electricity costs/revenues.

The Company will (taking advice from the Investment Adviser) carefully select and rely on Revenue Optimisers, and/or licensed electricity suppliers to manage storage revenue and electricity cost throughout the life of the Projects. If such Revenue Optimisers or suppliers are not able to fulfil their obligations or otherwise fail to perform to the required standard, the Company may be forced to seek recourse against such parties, provide additional resources to undertake their role, or to engage other companies to undertake their role. However, any such legal action, breach of contract or delay in services by these Revenue Optimisers or suppliers could have a material adverse effect on the Company's business, financial condition and results of operations. There may be no minimum revenue requirements or guarantees in the asset optimisation arrangements and the Company's protection against underperformance is limited primarily to exercising termination rights under the optimisation services contracts and then seeking a replacement Revenue Optimiser.

The Company's ability to invest in and operate energy storage systems could be adversely affected if the Revenue Optimisers or suppliers with whom the Company works do not have sufficient resources to work with the Company on its chosen projects. If the quality of service from the appointed Revenue Optimiser or supplier does not meet the requisite requirements, this could have an adverse effect on the operations and financial returns of the relevant Projects. Where a Revenue Optimiser or supplier needs to be replaced (whether due to expiry of an existing contract, insolvency, poor performance or any other reason) the Company will be required to appoint a replacement Revenue Optimiser or supplier. Any such replacement Revenue Optimiser or supplier may come at a higher cost, and may require the installation or replacement of certain hardware or software systems in order to manage communication between the Project and the Revenue Optimiser. If it takes a long time to find a suitable replacement it could potentially lead to delays, lower operating performance or downtime for the relevant asset or cancellation of key contracts. This could have a material adverse effect on the Company's NAV and revenues and returns to Shareholders.

Reliance on electricity transmission/distribution facilities owned by third parties

In order to sell their energy storage services and thus realise value, energy storage facilities must be and remain connected to the distribution or Transmission Grid, through a designated connection, or through an existing customer's connection. Therefore, each Project will be (to varying degrees) reliant upon electricity networks owned by third parties to import and export electricity and ultimately provide the contracted services. Typically, a Project will not be the owner of, nor will it be able to control, the transmission or distribution facilities except those needed to interconnect its energy storage plants to the public network. In addition, if there is a failure on the public grid (with or without fault of the relevant grid operator), the affected Projects may be unable to operate and this could have a material adverse effect on the Company's NAV and revenues.

Battery delivery and installation may be delayed

It is anticipated that the Company will invest in predominantly Shovel Ready projects. These are, at the time of investment, subject to the delivery and installation of battery systems to enable completion and commissioning of the Project. Therefore, any such Projects are dependent upon being able to source a timely supply of battery systems and components for the balance of plant, bearing in mind that many of such items are manufactured abroad and have long lead times. The Company factors delivery delays into the assumptions underlying the project models, however there remains a risk that there are delays to securing battery or component suppliers, delays or potentially cancellation of delivery of battery systems and delays or complications relating to the installation of the battery equipment and connection to the grid (construction of balance of plant) that remain unforeseen. Lithium-ion battery manufacturing may be subject to supply chain constraints, including in relation to supply of lithium, nickel, cobalt and silicon chips. The Company intends to contract for the supply of batteries so that the contractor will be required to pay liquidated damages in the event of delay. In addition, it is anticipated that construction insurance policies will contain "delay in start-up" insurance, to mitigate the impact of any construction or commissioning delay. Despite this, it is possible that a delay may occur for reasons which do not give rise to liquidated damages payments or be covered by insurance and in this instance the generation of revenues may be delayed, which would negatively impact the financial returns of the Company.

Counterparty risk

The Company is exposed to third party credit risk in several instances and there is a possibility that counterparties with which the Company and/or the Project Companies contract may default or fail to perform their obligations in the manner anticipated. Such counterparties may include (but are not limited to) manufacturers who have provided warranties in relation to the supply of any equipment or plant, EPC contractors who will construct the Projects (who may then also be engaged to operate and/or maintain such Projects), property owners or tenants who are leasing ground space and/or grid connection to the Company for the locating of the Projects, contractual counterparties who acquire services from the Company underpinning revenue generated by each Project or the energy suppliers, Revenue Optimisers, insurance companies who may provide coverage against various risks applicable to the assets (including the risk of terrorism or natural disasters affecting the assets) and other third parties who may owe sums to the Company and/or the Project Companies. In the event that such credit risk crystallises, in one or more instances, and the Company or the Project Companies are, for example, unable to recover sums owed to them, unable to make claims in relation to any contractual agreements or performance of obligations (e.g. warranty claims), or required to seek alternative counterparties, this may materially adversely impact the investment returns to the Company, the Projects and Shareholders. Further, there is no guarantee that the Projects will always benefit from a turnkey contract with a single contractor and so will be reliant on the performance of several suppliers. Therefore, the key risks during battery installation in connection with such Projects are the counterparty risk of the suppliers and successful Project integration.

The initial intention of the Company is to appoint Tesla as EPC contractor, O&M supplier and Revenue Optimiser in relation to the Seed Projects and the Advanced Project. This means that the Company has a significant concentration risk in relation to key suppliers which may result in greater volatility in the value of the Company's investments, and consequently the NAV, in the event of failure by Tesla under these engagements.

Risks relating to property, planning, consents and environment

Planning risk

As noted above, Shovel Ready Projects, including the Seed Projects, require amendments to their planning permissions to reflect the final technical specifications of the project in the applicable EPC contract. Whether the proposed amendment(s) are considered to be 'non-material' or 'minor material' for the purposes of the TCPA will depend on the specific details of the existing planning permission, the context of the site and the final specifications of the project. A change which may be considered non-material in one case could be minor material in another. There is no statutory definition of non-material, and it is the responsibility of the relevant local planning authority ("**LPA**") to be satisfied that any amendment(s) sought are non-material in order to be eligible for this type of application. There can therefore be no guarantee that an amendment will not be determined by the LPA to be material and hence require a Section 73 Application (application to develop land without compliance with conditions) which can cover minor material amendments which still fall within the original description of development. In respect of a Section 73 Application, LPAs have the

discretion to decide whether to re-consult statutory consultees (unless required to do so by the Town and Country Planning (Environmental Impact Assessment) Regulations 2017 (SI 2017/571) (EIA Regulations 2017)). The ability to make a Section 73 Application is dependent upon the relevant plans being included in a condition in the original planning permission (which the Investment Adviser has been advised is generally the case in recent times). However, this is not considered to be a material issue in any event, since the non-material amendment regime under Section 96A of the TCPA can also be used to add a condition listing the plans to the original planning permission, which would then enable the use of a Section 73A Application in the case of older planning permissions which do not list the plans under a condition.

The time period for a non-material amendment under Section 96A of the TCPA is up to 28 days (though it can be less), or a longer period if that has been agreed in writing. The non-material amendment approach does not create a new planning consent but involves an agreement that the changes proposed fall within the tolerances of the original consent. The time period for a decision in respect of a Section 73 Application is eight to thirteen weeks, depending on the size of the property. The Section 73 approach creates a new planning permission (though leaving the original consent intact) and hence is subject to the normal judicial review claims for up to six weeks from the date the new planning permission is actually issued.

Whilst the Company has received expert planning advice to the effect that in many cases, the Seed Projects only require non-material amendment(s) to their planning permissions, if one or more Section 73 Applications were required then it could delay development of the relevant Seed Projects.

In Scotland a similar regime operates to allow non-material variations (Section 64 of the Town and Country Planning (Scotland) Act 1997) ("**TCPSA**") and applications to develop land without compliance with conditions previously attached (minor material amendments) (Section 42 of the TCPSA). Whilst the legislation is similar to that operated in England, there are some differences in how these operate, although the general approach is the same.

Environmental costs and liabilities

Each Project Company may, subject to its project-specific contractual arrangements, be required to contribute financially towards environmental liabilities arising in the future in relation to any sites owned or used by such Project Company including, but not limited to, environmental clean-up and remediation obligations. In each case, the level of such contribution may not be restricted by the value of the sites or by the value of the total investment in the relevant Project.

Potential investors should note that a significant proportion of the Projects to be acquired by the Company will be located on agricultural, commercial and industrial properties. Such sites can have a greater likelihood of Projects suffering environmental liability and/or requiring a higher degree of due diligence in the permitting steps.

BESS Projects may also incur battery disposal costs at the end of the battery life of the installed batteries. The relevant battery suppliers or EPC contractors may offer the Projects end of life battery disposal options, where the supplier or EPC contractor shall be responsible for the removal, collection, recycling and disposal service for batteries, but it is not guaranteed that all the battery suppliers from whom the Projects purchase batteries will offer or be able to deliver such options. In addition, while the Group structures its investments to ensure that statutory recycling obligations at law remain with its suppliers and/or EPC contractors, it remains a risk that the Group could attract such liability.

There can be no guarantee that further environmental costs and liabilities will not be incurred in the future. Environmental regulators may seek to impose injunctions or other sanctions that affect the Company's and the Projects' operations that may have a material adverse effect on the Company's and the Projects' results of operations or financial conditions.

Third party ownership of property

Reliance upon a third party owned property gives rise to a range of risks including damages or other lease-related costs, counterparty and third party risks in relation to the lease agreement and property and early termination of the lease. Whilst the Company will seek to minimise these risks through appropriate insurances, lease negotiation and site selection, there can be no guarantee that no such circumstances will arise.

Changes to GB planning and permitting policies

Battery energy storage plants require compliance with an extensive permitting process in order to secure approvals for construction, grid connection and operation. For example, development of a project will require planning permission from the local planning authority taking due account of the specifications of the project, and also may require an Environmental Impact Assessment (EIA) depending upon the size and impact of the proposed project. Any change to permitting policies and procedures in Great Britain may impact the development of the Pipeline Projects and ultimately reduce the number of energy storage plants in the GB market, reducing the number of investment opportunities available to the Company.

Development risk in respect of Projects which are not Shovel Ready

Whilst the Company will not invest more than 15 per cent. of its gross asset value in Projects which are not yet Shovel Ready Projects, it may provide loan finance to such Projects in accordance with its investment policy. In such circumstances, the Company will be exposed to development risks including grid connection, planning, property and EPC contracting issues in respect of the relevant Project(s) which could result in any loan finance provided to such Projects being adversely affected or the Company being unable to recover some or all of the amounts lent. There can be no guarantee that such Projects will become Shovel Ready Projects during the life of the Company or at all.

Risks relating to the acquisition and sale of energy storage systems

Delays in deployment of the proceeds of the Initial Issue

The Company is aiming to have committed substantially all of the proceeds of the Initial Issue to investments within 12 months from the date of Admission but there can be no guarantee that this will be achieved. It is intended that the Net Proceeds will be deployed into the Seed Projects and the Advanced Project (being the most advanced project within the Exclusivity Pipeline), however it is possible that one or more of these Projects will not be acquired by the Company. In this case it may take the Company more than 12 months to commit the Net Proceeds to investments. There can therefore be no assurance as to how long it will take for the Company to invest any or all of the Net Proceeds, if at all, and the longer the period the greater the impact on the Company's results of operations and cash flows and the greater the likelihood that the Company's NAV, revenues and returns to Shareholders will be materially adversely affected.

Due diligence may fail to uncover all material risks and unknown liabilities may arise

Prior to the acquisition of a Project, a Project Company or any other special purpose vehicle that holds a Project or rights to construct an energy storage system, the Company (with the assistance of the Investment Adviser and any third-party advisers as appropriate) will undertake, or procure to be undertaken, commercial, technical and legal due diligence on the Project, Project Company and/or special purpose vehicle (as applicable). Notwithstanding that such due diligence is undertaken, not all material risks affecting the Project, Project Company or special purpose vehicle (as the case may be) may be identified and/or such risks may not be adequately protected against in the acquisition documentation.

Projects will be acquired directly from Harmony Energy, another member of the Harmony Group or a related party of Harmony Energy

The Seed Projects and (subject to consistency with the Company's investment policy and satisfactory due diligence) one or more Pipeline Projects will be acquired from Harmony Energy or Harmony Energy and or RBE, which is a related party of Harmony Energy.

Since the Shares to be issued pursuant to the Initial Issue and Placing Programme will be admitted to trading on the Specialist Fund Segment, the Company will not be required to comply with, in particular, Chapter 11 of the Listing Rules regarding related party transactions. It is not therefore proposed that the Company will seek Shareholder approval in respect of each acquisition of Projects that would constitute a related party transaction.

The Seed Portfolio Share Purchase Agreement in respect of the Seed Project Companies and the Pro Forma Share Purchase Agreement in respect of the subsequent acquisition of Exclusivity Projects (if any) contain arm's length market standard project warranties for projects of this size and type (subject to typical financial caps and time limits for making any claim). It is intended that any acquisitions of Extended Pipeline Projects would be entered into on similar terms to the Pro Forma Share Purchase Agreement, taking account of the

agreed structure of consideration and transaction-specific terms agreed by the parties, however there can be no guarantee that the Company will be able to negotiate the same contractual protections in respect of Extended Pipeline Projects as are contained in the Seed Portfolio Share Purchase Agreement or Pro Forma Share Purchase Agreement.

The Company may fail to acquire all or some of the Pipeline Projects

An investment in an energy storage system may be conditional upon, among other things, receipt of all necessary consents, approvals, authorisations and permits, the Company deciding to proceed with the acquisition, the Company being able to finance its commitment to a particular investment and satisfactory completion of due diligence.

The Pipeline Projects will be assessed by the Company and the final decision to acquire any Project will be made by the Board in its ultimate discretion.

The Company has not entered into any unconditional, legally binding agreements in connection with the acquisition of any of the Pipeline Projects, and there can be no guarantee that the Company will ultimately be able to invest in any Projects other than the Seed Portfolio on satisfactory terms, or at all, and the Company may incur costs in relation to Projects that are not ultimately acquired. This may have a material adverse effect on the results of the Company's NAV, revenues and returns to Shareholders.

Acquisition risk

The Company may acquire assets with unknown liabilities and without any recourse, or with limited recourse, with respect to unknown liabilities. If an unknown liability was later asserted against the acquired assets, the Company may be required to pay substantial sums to settle it or enter into litigation, which could adversely affect cash flow and the results of the Company's NAV, revenues and returns to Shareholders.

If the operation of a Project has not been duly authorised or permitted it may result in closure, seizure, enforced dismantling or other legal action in relation to the Project. Certain issues, such as failure in the construction of an energy storage system, for example as a result of faulty components or insufficient structural quality, may not be evident at the time of acquisition or during any period in which a warranty claim may be brought against the contractor. Such issues may result in loss of value without full or any recourse to insurance or construction warranties.

Accordingly, in the event that material risks are not uncovered and/or such risks are not adequately protected against, this may have a material adverse effect on the results of the Company's NAV, revenues and returns to Shareholders.

Acquisition of less than 100 per cent. of an energy storage system

Although the Company will typically seek full legal and operational control of the Projects it acquires, it may not always be able, for structural or commercial reasons, to acquire 100 per cent. of the equity interest in such Projects. The Company may participate in joint ventures or acquire majority or minority interests where this approach enables the Company to gain exposure to Projects within its investment policy which it would not otherwise be able to acquire on a wholly-owned basis. This may hamper the Company's ability to control such assets and may also reduce the future returns to the Company. In relation to the Seed Portfolio and Pipeline Projects, it is intended that the Company acquires 100 per cent. of the equity interest in each case.

Valuation risk

The Company's investments will be largely, or entirely, unquoted assets and the valuation of such investments will involve the AIFM, the Investment Adviser and/or any independent valuer exercising judgement. There can be no guarantee that the basis of calculation of the value of the Company's investments used in the valuation process will reflect the actual value on realisation of those investments. In respect of the Seed Projects, the Valuer has provided its opinion on a fair market basis on the assumption that the Company will acquire the Seed Projects on or Admission and assuming a willing buyer and seller, dealing at arm's length and with equal knowledge regarding the facts and circumstances. The Company will obtain an independent valuation in respect of any future acquisition of Projects and will ensure that such valuations will be carried out on substantially the same basis as the valuations provided by the Valuer in respect of the Seed Projects.

Sale risk

BESS Projects have limited liquidity and may not be readily realisable or may only be realisable at a value less than their book value. There may be additional restrictions on divestment or change of control in the terms and conditions of project documentation or other agreements or arrangements to which the Company or the relevant Project Company is party to in relation to a particular Project. This could adversely impact the Company's NAV, revenues and returns to Shareholders.

Other risks relating to the Portfolio and investment strategy

Reinvestment of excess cash may not be possible

If the Company's investments do not generate sufficient returns or if for other reasons the Company does not generate profits sufficient to enable the payment of dividends at or above the target described in this Prospectus, the Company will not have excess cash available for reinvestment which may inhibit growth of the NAV or its maintenance at prior levels. Further, since the Company intends to carry on business as an investment trust within the meaning of Section 1158 of the Corporation Tax Act 2010, such status may require the distribution of cash that would otherwise be available for reinvestment. Even if excess cash is available there is no guarantee that suitable investments will be available for the deployment of that cash.

Errors may be made in the financial model, including with respect to energy market and financial forecasting

The Investment Adviser may use or rely on forecasts, financial models and other market data prepared by third parties as part of its analysis of the Portfolio and the markets in which the Company invests. None of the Investment Adviser, the AIFM nor the Company will undertake any verification of such forecasts, models or market data and there can be no guarantee that such information is accurate. Further, the Investment Adviser may itself make errors in the interpretation and use of third party forecasts, financial models and other market data in preparing its own forecasts in connection with each of energy storage systems acquired by the Company. The data prepared by the Investment Adviser will typically include forecasts on a number of operating expenses for each project including, among other things, electricity costs, rent, O&M costs, management costs, insurance premiums and other expenses. Differences between the data prepared by the third parties and/or the Investment Adviser and the economic and market conditions that materialise may have adverse effects on the Company's returns. In addition, forecasters tend to look at long-term data only and there may be short term fluctuations which are unaccounted for.

Risks relating to financial markets regulation and taxation

UK AIFM Regime and the EU AIFM Directive

The UK AIFM Regime and the EU AIFM Directive regulate managers of alternative investment funds ("**AIFs**") and impose obligations on such managers ("**AIFMs**") who market shares in such funds to UK and EEA investors respectively.

The Company is registered in England and Wales while the AIFM acting as investment manager is registered in Guernsey. Hence, the Company is an externally managed non-EEA domiciled AIF with a Guernsey-based AIFM appointed as the Company's non-UK AIFM for the purposes of the UK AIFM Regime, and non-EU AIFM for the purposes of the EU AIFM Directive.

The Company's AIFM does not intend to be subject to the UK AIFM Regime and/or the EU AIFM Directive except to the extent that it is required to comply with certain provisions of the UK AIFM Regime and/or the EU AIFM Directive (and laws and regulations made under either of them) in order to permit the marketing of the Company's Shares to potential investors in the UK (and/or, to the extent applicable from time to time, certain EEA member states), and to report to the competent regulatory authorities in those states where the Shares have been marketed in accordance with, and to the extent required by, the UK AIFM Regime and/or the EU AIFM Directive. In this regard, the UK AIFM Regime and the EU AIFM Directive respectively allow the marketing of an AIF such as the Company, either on its own behalf or through its agent, under national private placement regimes, where the UK and individual EEA states so choose. The UK has adopted such a private placement regime, as have numerous other EEA states, albeit that marketing to investors in the UK and certain EEA states is subject to additional conditions imposed by national law. Such marketing is subject to, *inter alia*, as applicable: (i) the requirement that appropriate cooperation agreements continue to be in place between the supervisory authorities of the relevant states and the GFSC, (ii) Guernsey not

being on the Financial Action Task Force blacklist of high-risk and non-cooperative jurisdictions; and (iii) compliance with certain aspects of the UK AIFM Regime and the EU AIFM Directive.

The AIFM has notified the FCA in accordance with Article 42 of the EU AIFM Directive, such that the Shares can be marketed in the UK pursuant to the national private placement regime.

The ability of the Company or its agents to market the Company's Shares in the UK and the EEA, and accordingly to make the Initial Issue or any further issue of securities available to Shareholders based in those jurisdictions, depends on the UK and relevant EEA member state permitting the marketing of non-UK and non-EEA managed, as appropriate, UK funds; the continuing status of Guernsey and the GFSC in relation to the UK AIFM Regime and the EU AIFM Directive; and the AIFM's willingness to comply with the relevant provisions of the UK AIFM Regime, the EU AIFM Directive and the other requirements of the national private placement regimes of relevant individual EEA states. In cases where such provisions are not or cannot be satisfied, the ability of the Company to market Shares or raise further equity capital in the UK and/or such EEA states may be limited or removed entirely.

Any regulatory changes to the UK AIFM Regime and/or the EU AIFM Directive (or otherwise) which limit the Company's ability to market the Shares may materially adversely affect the Company's ability to achieve its investment objective. It may also result in certain Shareholders not being able to participate in future capital raisings.

AIFM compliance risks

As the AIFM for the Company, JTC Global AIFM Solutions Limited is required to comply with on-going capital, reporting and transparency obligations and a range of organisational requirements and conduct of business rules. The AIFM must also, as the AIFM for the Company, adopt a range of policies and procedures addressing areas such as risk management, liquidity management, conflicts of interest, valuations, compliance, internal audit and remuneration. If the AIFM were to fail to comply with the legal and other regulatory requirements applicable to an authorised AIFM or otherwise cease to hold authorisation as an AIFM, the AIFM would not be permitted to continue to manage the Company and a successor AIFM duly authorised as an AIFM would need to be appointed to perform this function. Any transition to a successor AIFM could result in costs being incurred by the Company and material disruptions to its investment activities and operations and to the marketing of interests in the Company.

Impact of changes to UK AIFM Regime and the EU AIFM Directive on the AIFM

Changes to the UK AIFM Regime or EU AIFM Directive or new recommendations and guidance as to their implementation may impose new operating requirements and result in a change in the operating procedures of the AIFM and its relationship with the Company and service providers and may impose restrictions on the investment activities that the AIFM (and in turn the Company) may engage in. Such changes may increase the on-going costs borne, directly or indirectly, by the Company by virtue of the contractual arrangements agreed between the Company, the Investment Adviser, the AIFM and other service providers. These factors may have a material adverse effect on the Company's financial condition, business, prospects and results of operations.

Changes in laws or regulations governing the Company's NAV and revenues

The Company and the Projects are subject to laws and regulations enacted by European, national and local governments. In particular, the company is subject to and will be required to comply with certain regulatory requirements that are applicable to listed closed-ended investment companies.

Any changes in the law and regulation affecting the Company and the Projects and their operations may have a material adverse effect on the ability of the Company to carry on its business and successfully pursue its investment policy and on the value of the Company and/or the Shares. In such event, the investment returns of the Company may be materially adversely affected.

Changes in taxation legislation, or the rate of taxation

Any change in the tax status of the Company or any Project or in taxation legislation or practice in the United Kingdom (or elsewhere) could affect the value of the investments held by the Company or the Company's ability to achieve its investment objective or alter the post-tax returns to Shareholders. Statements in this

Prospectus including the taxation of Shareholders and/or the Company are based upon current United Kingdom law and published practice as at the date of this Prospectus, which law and practice is, in principle, subject to change (potentially with retrospective effect) that could adversely affect the ability of the Company to meet its investment objective and/ or which could adversely affect the taxation of Shareholders and/or the Company and after tax returns to Shareholders.

Potential investors are urged to consult their tax advisers with respect to their particular tax situations and the tax effect of an investment in the Company.

Investment trust status

It is the intention of the Directors to apply to HMRC for, and to conduct the affairs of the Company so as to satisfy the conditions for, approval as an investment trust under Chapter 4 of Part 24 of the Corporation Tax Act 2010. A failure to obtain or maintain HMRC approval as an investment trust, including as a result of a change in tax law or practice, could result in the Company not being able to benefit from the current exemption for investment trusts from UK tax on chargeable gains and could affect the Company's ability to provide returns to Shareholders. It is not possible to guarantee that the Company will remain a company that is not a close company for UK tax purposes, which is a requirement to obtain and maintain status as an investment trust, as the Shares are freely transferable. The Company, in the unlikely event that it becomes aware that it is a close company, or otherwise fails to meet the criteria for approval as an investment trust company, will, as soon as reasonably practicable, notify Shareholders of this fact.

RISKS RELATING TO THE SHARES

General risks affecting the Shares

The value of an investment in the Company, and the income derived from it, if any, may go down as well as up and an investor may not get back the amount invested.

The market price of the Shares, like shares in all investment companies, may fluctuate independently of their underlying NAV and may trade at a discount or premium at different times, depending on factors such as supply and demand for the Shares, market or economic conditions and general investor sentiment. There can be no guarantee that any discount control policy will be successful or capable of being implemented. The market value of a Share may therefore vary considerably from its NAV.

An investor may not recover the amount originally invested. The Company can offer no assurance that its investments will generate gains or income or that any gains or income that may be generated on particular investments will be sufficient to offset any losses that may be sustained.

It may be difficult for Shareholders to realise their investment and there may not be a liquid market in the Shares

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

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

The number of Shares to be issued pursuant to the Initial Issue and the Placing Programme is not yet known, and there may be a limited number of holders of such Shares. Limited numbers and/or holders of Shares may mean that there is limited liquidity in the Shares which may affect (i) an investor's ability to realise some

or all of his investment and/or (ii) the price at which such investor can effect such realisation and/or (iii) the price at which the Shares trade in the secondary market.

Further issues of Shares

The Directors have been authorised to issue (i) up to 250 million Shares following Initial Admission until the second annual general meeting of the Company, (ii) up to 120 million Ordinary Shares in connection with the acquisition of the Exclusivity Project Companies and (iii) up to 20 per cent. of the issued Ordinary Share capital of the Company following Initial Admission, without the application of pre-emption rights. If the Directors decide to issue further Shares on a non-pre-emptive basis the proportions of the voting rights held by holders of Ordinary Shares on Admission will be diluted on the issue of such shares as each Share carries the right to one vote. The voting rights may be diluted further on the future conversion of any C Shares (if any) issued from time to time.

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

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

Risks relating to C Shares

The NAV of any issued C Shares may diverge significantly from that of the Ordinary Shares between the admission of the C Shares to trading on the Specialist Fund Segment and conversion of the C Shares into Ordinary Shares in accordance with the Articles.

Trading liquidity in any issued C Shares may be lower than in the Ordinary Shares which may affect: (i) a Shareholder's ability to realise some or all of its investment in C Shares; (ii) the price at which such Shareholder can effect such realisation; and/or (iii) the price at which C Shares trade in the secondary market. Accordingly, holders of C Shares may be unable to realise their investment in C Shares at Net Asset Value per Share or at all.

Each class of C Shares will represent interests in a pool of assets and liabilities that is accounted for separately to the remainder of the assets of the Company and therefore holders of C Shares will not, until conversion, have exposure to the Company's existing investments and such Shareholders' returns in respect of C Shares will be dependent on the deployment of cash raised in a timely manner.

Dividends will be declared on C Shares only in the event that there is material net income available for distribution to the holders of the C Shares.

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

Although the Shares are freely transferable, there are certain circumstances in which the Board may, under the Articles and subject to certain conditions, compulsorily require the transfer of the Shares.

The Shares have not been registered and will not be registered in the United States under the U.S. Securities Act or under any other applicable securities laws. Moreover, the Shares are only being offered and sold outside the United States to non-U.S. Persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

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

IMPORTANT INFORMATION

GENERAL

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

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

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

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction: (i) in which such offer or solicitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Prospectus and the offering of Shares in certain jurisdictions may be restricted and accordingly persons into whose possession this Prospectus is received are required to inform themselves about and to observe such restrictions.

FOR THE ATTENTION OF UNITED STATES RESIDENTS

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

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

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

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

FOR THE ATTENTION OF UNITED KINGDOM INVESTORS

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

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

provided that no such offer of the Shares shall require the Company to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. For the purposes of this provision, the expression "an offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

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

FOR THE ATTENTION OF PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

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

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

provided that no such offer of the Shares shall require the Company to publish a prospectus pursuant to Article 3 of the EEA Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EEA Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, and the expression "**EEA Prospectus Regulation**" means Regulation (EU) 2017/1129.

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

NOTICE TO PROSPECTIVE INVESTORS IN SWITZERLAND

The Initial Issue and Placing Programme are only directed at and any offer of Shares in Switzerland will only be made exclusively to institutional investors (such as supervised financial intermediaries including banks, securities firms, fund management companies and asset managers of collective investment schemes, insurance companies as well as central banks). Accordingly, the Company is neither required to obtain any authorisation from the Swiss Financial Market Supervisory Authority FINMA nor to appoint a Swiss representative and a Swiss paying agent. Investors do not benefit from the additional investor protection afforded by the Swiss Federal Act on Collective Investment Schemes and its implementing ordinances and regulations or the Swiss Federal Act on Financial Services and its implementing ordinances. This document does not constitute a prospectus in the sense of arts. 35 and following (in particular art. 65 and following) of the Swiss Federal Act on Financial Services and its implementing ordinances. It may, however, constitute advertisement in the sense of art. 68 of the Swiss Federal Act on Financial Services and its implementing ordinances.

NOTICE TO PROSPECTIVE INVESTORS IN THE NETHERLANDS

The Shares may in future be marketed in the Netherlands under Section 1:13b of the Dutch Financial Supervision Act (Wet op het financieel toezicht, the "**Wft**"). If so, in accordance with this provision, the AIFM will notify the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten, the "**AFM**") of its intention to offer the Shares in the Netherlands. This Prospectus is not addressed to or intended for, and the Shares are and may not be offered, sold, transferred or delivered, directly or indirectly, to or by, individuals or entities in the Netherlands other than individuals or entities that are qualified investors (gekwalificeerde beleggers) within the meaning of Section 1:1 of the Wft. As a consequence, neither the AIFM nor the Company is subject to the licence requirement for fund managers or investment institutions pursuant to the Wft. Consequently, the AIFM and the Company are only subject to limited supervision by the Dutch Central Bank (De Nederlandsche Bank, "**DNB**") and the AFM for the compliance with the ongoing regulatory requirement as referred to in the Dutch law implementation of Article 42 of the EU AIFM Directive. In addition, no approved prospectus is required to be published in the Netherlands pursuant to Article 3 of the EEA Prospectus Regulation, as amended and applicable in the Netherlands.

NOTICE TO PROSPECTIVE INVESTORS IN GUERNSEY

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

- by persons licensed to do so (or permitted by way of exemption granted) by the Guernsey Financial Services Commission (the "**Commission**") under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) (the "**POI Law**"); or
- by non-Guernsey bodies who meet the criteria specified in section 29(1)(c) of the POI Law, being that the promoting party: (i) carries on the promotion in or from within the Bailiwick of Guernsey in a manner in which they are permitted to carry it on in or from within, and under the law of a country or territory designated by the Commission, such as the UK; (ii) has its main place of business in that country or territory and does not carry on any restricted activity from a permanent place of business in the Bailiwick; (iii) is recognised as a national of that country or territory by its law; and (iv) has given written notice to the Commission pursuant to a prescribed form of the date from which it intends to carry on that activity in or from within the Bailiwick of Guernsey and complied with the requirements applicable under section 3(1) of the POI Law to an applicant for a licence; or by non-Guernsey bodies to persons licensed under the POI Law, the Banking Supervision (Bailiwick of Guernsey) Law, 1994, the Insurance Business (Bailiwick of Guernsey) Law, 2002, the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000, provided that the promoting party meets the criteria specified in section 29(1)(cc) of the POI Law, being that the promoting party: (i) carries on the promotion in or from within the Bailiwick of Guernsey in a manner in which they are permitted to carry it on in or from within, and under the law of a country or territory designated by the Commission, such as the UK; (ii) has its main place of business in that country or territory and does not carry on any restricted activity from a permanent place of business in the Bailiwick; (iii) is recognised as a national of that country or territory by its law; and (iv) has given written notice to the Commission by way of an online form of the date from which it intends to carry on that activity in or from within the Bailiwick of Guernsey; or

- as otherwise permitted by the Commission.

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

The offer referred to in this Prospectus is not available in or from within the Bailiwick of Guernsey other than in accordance with the above paragraphs and this Prospectus must not be relied upon by any person unless made or received in accordance with such paragraphs.

NOTICE TO PROSPECTIVE INVESTORS IN JERSEY

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

NOTICE TO PROSPECTIVE INVESTORS IN THE ISLE OF MAN

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

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

The offer that is the subject of this Prospectus and this Prospectus are not available in or from within the Isle of Man other than in accordance with the above paragraphs and must not be relied upon by any person unless made or received in accordance with such paragraphs.

NOTICE TO PROSPECTIVE INVESTORS IN IRELAND

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

NOTICE TO PROSPECTIVE INVESTORS IN OTHER JURISDICTIONS

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

ELIGIBILITY FOR INVESTMENT BY UCITS OR NURS

The Company has been advised that the Ordinary Shares will be "transferable securities" and, therefore, should be eligible for investment by UCITS or NURS on the basis that: (i) the Company is a closed-ended investment company incorporated in England and Wales as a public limited company; and (ii) the Shares are to be admitted to trading on the Specialist Fund Segment. The manager of a UCITS or NURS should, however, satisfy itself that the Shares are eligible for investment by that fund, including a consideration of the factors relating to that UCITS or NURS itself, specified in the rules of the FCA.

INFORMATION TO DISTRIBUTORS

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

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

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

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

PRIIPS REGULATION

In accordance with the PRIIPs Regulation, the Company has prepared a key information document in respect of the Ordinary Shares ("**KID**"). The PRIIPs Regulation requires that the KID is made available to "retail investors" prior to them making an investment decision in respect of the Ordinary Shares at www.heitp.co.uk. If any C Shares are offered pursuant to the Placing Programme, a key information document in respect of such C Shares will be prepared by the Company and will be available to investors at www.heitp.co.uk. If you are distributing the Ordinary Shares or any C Shares, it is your responsibility to ensure that the relevant key information document is provided to any clients that are "retail clients" pursuant to the PRIIPs Regulation.

The Company is the only manufacturer of the Shares for the purposes of the PRIIPs Regulation and none of the AIFM, the Investment Adviser or Berenberg are a manufacturer for these purposes. None of the AIFM, the Investment Adviser or Berenberg make any representation, express or implied, or accepts any responsibility whatsoever for the contents of the KID prepared by the Company nor accepts any responsibility

to update the contents of the KID in accordance with the PRIIPs Regulation, to undertake any review processes in relation thereto or to provide such KID to future distributors of Shares. Each of the AIFM, the Investment Adviser and Berenberg and their respective affiliates accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it or they might have in respect of the KID or any other key information documents prepared by the Company from time to time (including in respect of the C Shares). Prospective investors should note that the procedure for calculating the risks, costs and potential returns in the KID are prescribed by laws. The figures in the KID or any key information document prepared in respect of the C Shares may not reflect actual returns for the Ordinary Shares or C Shares and anticipated performance returns cannot be guaranteed.

DATA PROTECTION

The information that a prospective investor in the Company provides in documents in relation to a subscription for Shares or subsequently by whatever means which relates to the prospective investor (if it is an individual) or a third party individual ("**personal data**") will be held and processed by the Company (and any third party in the United Kingdom to whom it may delegate certain administrative functions in relation to the Company) in compliance with: (a) the relevant data protection legislation and regulatory requirements of the United Kingdom (the "**Data Protection Legislation**"); and (b) the Company's privacy notice, a copy of which is available for consultation on the Company's website at www.heitp.co.uk ("**Privacy Notice**") (and if applicable any other third party delegate's privacy notice).

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

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

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

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

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

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

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

PRESENTATION OF FINANCIAL INFORMATION

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

Certain financial and statistical information contained in this Prospectus has been rounded to the nearest whole number or the nearest decimal place. Therefore, the actual arithmetic total of the numbers in a column or row in a certain table may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this Prospectus reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

PRESENTATION OF MARKET AND OTHER DATA

Market and economic data used throughout this Prospectus is sourced from various independent sources. The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

CURRENCY PRESENTATION

Unless otherwise indicated, all references in this Prospectus to "£", "pence" or "GBP" are to the lawful currency of the UK and all references in this Prospectus to "Euro" or "€" are to the lawful currency of the member states of the EU which have adopted the Euro as their lawful currency.

DEFINITIONS

Capitalised terms contained in this Prospectus shall have the meanings ascribed to them in Part 13 (Glossary of Terms) and Part 14 (Definitions) of this Prospectus, save where the context indicates otherwise.

EUROPEAN UNION LEGISLATION

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

WEBSITES

Without limitation, neither the contents of the Company's, the AIFM's or Harmony Energy's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's, the AIFM's or Harmony Energy's website (or any other website) is incorporated into, or forms part of this Prospectus, or has been approved by the FCA. Investors should base their decision whether or not to invest in the Shares on the contents of this Prospectus alone and any supplementary prospectus published by the Company prior to Admission.

GOVERNING LAW

Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales.

FORWARD LOOKING STATEMENTS

This Prospectus contains forward looking statements, including, without limitation, statements containing the words "believes", "estimates", "anticipates", "expects", "intends", "may", "might", "will" or "should" or, in each case, their negative or other variations or similar expressions. Such forward looking statements

involve unknown risks, uncertainties and other factors which may cause the actual results, financial condition, performance or achievement of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward looking statements. These forward looking statements speak only as at the date of this Prospectus. Subject to its legal and regulatory obligations (including under the Prospectus Regulation Rules), the Company expressly disclaims any obligations to update or revise any forward looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based unless required to do so by law or any appropriate regulatory authority, including FSMA, the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation and MAR.

Nothing in the preceding two paragraphs should be taken as limiting the working capital statement in paragraph 15 of Part 9 of this Prospectus.

VOLUNTARY COMPLIANCE WITH THE LISTING RULES

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

- the Company is not required to comply with the Listing Principles set out at Chapter 7 of the Listing Rules and Premium Listing Principles. Nonetheless, the Company will comply with these Listing Principles and Premium Listing Principles;
- the Company is not required to appoint a listing sponsor under Chapter 8 of the Listing Rules. It has appointed Berenberg as its financial adviser to guide the Company in understanding and meeting its responsibilities in connection with Initial Admission;
- the Company is not required to comply with the provisions of Chapter 9 of the Listing Rules regarding continuing obligations. The Company will comply with the following provisions of Chapter 9 of the Listing Rules:
  - (i) Listing Rule 9.3 (*Continuing obligations: holders*);
  - (ii) Listing Rule 9.5 (*Transactions*);
  - (iii) Listing Rule 9.6.4 to Listing Rule 9.6.21, other than Listing Rule 9.6.19(2) and Listing Rule 9.6.19(3) (*Notifications*);
  - (iv) Listing Rule 9.7A (*Preliminary statement of annual results and statement of dividends*); and
  - (v) Listing Rule 9.8 (*Annual financial report*);
- the Company is not required to comply with the provisions of Chapter 11 of the Listing Rules regarding related party transactions. The Company will adopt a related party policy (in relation to which Berenberg as financial adviser, will guide the Company) which shall apply to any transaction which it may enter into with any Director, the Investment Adviser or a substantial shareholder which would constitute a "related party transaction" as defined in, and to which would apply, Chapter 11 of the Listing Rules.

  In accordance with its related party policy, except for acquisitions of Projects from Harmony Energy or the Pipeline Sellers in the ordinary course of business in accordance with the Company's (i) investment objective and policy and (ii) Investment Process, the Company shall not enter into any such related party transaction without first obtaining:

  (i) the approval of a majority of the Directors who are independent of the relevant related party; and

  (ii) a fairness opinion or third-party valuation (as appropriate) in respect of such related party transaction from an appropriately qualified independent adviser.

  This policy may only be modified with Shareholder approval. In particular, (a) transactions or arrangements of the nature set out in Listing Rule 11.1.5(2) (i.e. co-investments or the joint provision of finance); or (b) issues of new securities in, or a sale of treasury shares of, the Company to "substantial shareholders" pursuant to an offer to the public or a placing, on materially similar terms to those applicable to other subscribers or purchasers under such offer or placing shall not be considered "related party transactions";
- the Company is not required to comply with the provisions of Chapter 12 of the Listing Rules (*Dealing in own securities and treasury shares*). Nonetheless, the Company has adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2;
- the Company is not required to comply with the provisions of Chapter 13 of the Listing Rules regarding the contents of circulars. The Company however will comply with the following provisions of Chapter 13 of the Listing Rules:
  - (i) Listing Rule 13.3 (*Contents of all circulars*);
  - (ii) Listing Rule 13.7 (*Circulars about purchase of own equity shares*); and
  - (iii) Listing Rule 13.8 (*Other circulars*); and

- the Company is not required to comply with the provisions of Chapter 15 of the Listing Rules (*Closed-Ended Investment Funds: premium listing*). Nonetheless, the Company will comply with the following provisions of Chapter 15 of the Listing Rules:

  (i) Listing Rule 15.4.2 to Listing Rule 15.4.11 (*Continuing obligations*) (other than Listing Rule 15.4.8(2) and, in respect of Listing Rule 15.4.2(1), only once the Net Proceeds of the Initial Issue have been fully invested);

  (ii) Listing Rule 15.5 (other than Listing Rule 15.5.3 as the Company has adopted its own related party policy as noted above) (*Transactions*); and

  (iii) Listing Rule 15.6 (Notifications and periodic financial information) (as modified above).

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

It should be noted that the FCA will not have the authority to monitor the Company's voluntary compliance with the Listing Rules applicable to closed-ended investment companies which are listed on the premium listing segment of the Official List of the FCA nor will it impose sanctions in respect of any breach of such requirements by the Company.

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

EXPECTED TIMETABLE

Expected Initial Issue Timetable

All references to times in this Prospectus are to London times, unless otherwise stated.

Initial Placing and Offer for Subscription open	15 October 2021
Latest time and date for receipt of Application Forms and payment in full under the Offer for Subscription	11 a.m. on 3 November 2021
Latest time and date for receipt of commitments under Initial Placing	3 p.m. on 4 November 2021
Announcement of the results of the Initial Issue	5 November 2021
Initial Admission and dealings in the Ordinary Shares issued pursuant to the Initial Issue commence	8 a.m. on 9 November 2021
Completion of the Acquisition of the Seed Portfolio	8 a.m. on 9 November 2021
CREST accounts credited	9 November 2021
Dispatch of definitive share certificates (where applicable)	Week commencing 15 November 2021

Expected Placing Programme Timetable

Placing Programme opens	9 November 2021
Publication of Issue Price in respect of each Subsequent Placing	on, or as soon as practicable after, the announcement of each Subsequent Placing
Admission and commencement of dealings	8 a.m. on each day on which Ordinary Shares are issued pursuant to the Placing Programme
CREST accounts credited	as soon as practicable after the issue of Ordinary Shares pursuant to the Placing Programme
Dispatch of definitive share certificates (where applicable)	by no later than 14 Business Days after Admission of the relevant Ordinary Shares
Latest date for Ordinary Shares to be issued pursuant to the Placing Programme	14 October 2022

The dates and times specified above and mentioned throughout this Prospectus are subject to change. In particular the Directors may, with the prior approval of Berenberg, postpone the closing time and date for the Initial Placing and Offer for Subscription by up to two weeks. In the event that such date is changed, the Company will notify investors who have applied for Ordinary Shares of changes to the timetable by the publication of an announcement through a Regulatory Information Service.

INITIAL ISSUE AND PLACING PROGRAMME STATISTICS

Initial Issue Statistics

Issue Price per Ordinary Share	100 pence
Target number of new Ordinary Shares being issued pursuant to the Initial Placing and Offer for Subscription	230 million
Estimated Gross Proceeds*	£230 million
Estimated Net Proceeds*	£225.4 million
Consideration Shares to be issued in respect of the Seed Portfolio*	23,483,694
Estimated number of Ordinary Shares in issue on Admission*	253,483,695
Estimated Net Asset Value per Ordinary Share at Admission**	98 pence

* The Company is targeting Gross Proceeds of £230 million. The Minimum Gross Proceeds are £160 million (or such lesser amount as the Company, the Investment Adviser and Berenberg agree). The number of Ordinary Shares to be issued pursuant to the Initial Issue, and therefore the Gross Proceeds and the Net Proceeds of the Initial Issue, are not known as at the date of this document but will be notified by the Company via a Regulatory Information Service prior to Initial Admission.

** The costs and expenses of the Initial Issue will not exceed 2 per cent. of the Initial Issue.

Placing Programme Statistics

Maximum size of the Placing Programme	250 million Ordinary Shares and/or C Shares
Issue Price per Ordinary Share	not less than the prevailing NAV per Ordinary Share at the time of issue plus a premium sufficient to cover the costs and expenses of such issue
Issue Price per C Share	100p

DEALING CODES AND LEI

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

ISIN	GB00BLNNFY18
SEDOL	BLNNFY1
Ticker	HEIT

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

ISIN	GB00BLNNFZ25
SEDOL	BLNNFZ2
Ticker	HEIC

The LEI for the Company is 254900O3XI3CJNTKR453.

DIRECTORS, MANAGEMENT AND ADVISERS

Directors (all non-executive)	Norman Crighton (Chair) Janine Freeman Hugh McNeal William Rickett Shefaly Yogendra all of the registered office below:
Registered Office of the Company	The Scalpel 18th Floor 52 Lime Street London EC3M 7AF England
AIFM	JTC Global AIFM Solutions Limited Ground Floor, Dorey Court Admiral Park St Peter Port Guernsey GY1 2HT
Investment Adviser	Harmony Energy Advisors Limited Conyngham Hall Bond End Knaresborough North Yorkshire HG5 9AY England
Administrator and Company Secretary	JTC (UK) Limited The Scalpel 18th Floor 52 Lime Street London EC3M 7AF England
Financial Adviser, Sole Global Coordinator and Bookrunner	Joh. Berenberg, Gossler & Co. KG, London Branch 60 Threadneedle Street London EC2R 8HP United Kingdom
Solicitors to the Company	Fasken Martineau LLP 15th Floor 125 Old Broad Street London EC2N 1AR
Solicitors to Berenberg	Gowling WLG (UK) LLP 4 More London Riverside London SE1 2AU
Auditor	Ernst & Young LLP 1 More London Place London SE1 2AF
Reporting Accountant/ Tax Adviser	Ernst & Young LLP 1 More London Place London SE1 2AF

Independent Valuer	Mazars LLP Tower Bridge House St Katharine's Way London E1W 1DD United Kingdom
Registrars	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZY
Receiving Agent	Computershare Investor Services PLC Corporate Actions Projects Bristol BS99 6AH

PART 1

THE COMPANY

1. Introduction

The Company is a newly incorporated company limited by shares incorporated on 1 October 2021 in England and Wales with registered number 13656587 and registered as an investment company under Section 833 of the Act. The Company intends to carry on business as an investment trust within the meaning of Section 1158 of the Corporation Tax Act 2010.

The Company is seeking to raise £230 million through the issue of 230 million Ordinary Shares pursuant to the Initial Placing and the Offer for Subscription to invest in the Seed Projects and the Advanced Project in accordance with the Company's investment objective and policy. In addition, the Company will also issue Consideration Shares under the terms of the acquisition of the Seed Projects. Assuming the target raise is achieved, the Company is expected to issue 253,483,694 Ordinary Shares on Admission under the Initial Issue.

Harmony Energy, the parent company of the Investment Adviser, is a leading UK battery energy storage project developer with an established track record in developing, funding and supervising the construction of such projects and other renewable generation projects in Great Britain. To date Harmony Energy has developed BESS Projects in Great Britain totalling 238.5 MW / 477 MWh of which 41.5MW / 83MWh is operational and 197 MW / 394 MWh is in construction, including the Pillswood Project.

Harmony Energy has developed and controls a portfolio of battery energy storage projects with aggregate storage capacity of 213.5 MW (427 MWh) and which have achieved at least Shovel Ready status meaning that they have planning consents, grid connection offers and options to purchase and/or lease the property on which the Project is situated. These projects comprise the Seed Portfolio. In addition, Harmony Energy and RBE, a related party of Harmony Energy, have control of a significant pipeline of BESS Projects at various stages of development and which are expected to achieve Shovel Ready status in the near future ("**Pipeline Projects**"). Further details of the Seed Portfolio and Pipeline Projects are set out in Part 3 of this Prospectus.

The Company has agreed, conditional upon Admission, to acquire the Seed Portfolio from Harmony Energy for an acquisition price which is calculated from a modelled total fixed funding requirement of £750,000 per MW, pursuant to the Seed Portfolio Share Purchase Agreement. Harmony Energy and RBE have further agreed to grant the Company exclusive rights to acquire the Pipeline Projects pursuant to the Pipeline Agreement. The most advanced Pipeline Project at the date of this Prospectus is the Bumpers Project (99 MW / 198 MWh), which is expected to be Shovel Ready in late 2021 and therefore available for acquisition by the Company in late 2021 or early 2022. However, there is another Pipeline Project with capacity of 99 MW / 198 MWh which may achieve Shovel Ready status before the Bumpers Project and which may therefore be acquired by the Company in advance of the Bumpers Project, in accordance with the Pipeline Agreement. Whichever of these Projects is Shovel Ready first is therefore referred to in this Prospectus as the "**Advanced Project**". The valuation of the Advanced Project in this Prospectus has been prepared on the basis that the Advanced Project is the Bumpers Project. Further details of these arrangements are set out in Part 3 of this Prospectus.

In relation to the Seed Portfolio and Advanced Project:

- the Pillswood Project (98 MW / 196 MWh) is Under Construction, and key terms in relation to pricing and delivery timetable are set out in a binding Full EPC Wrap contained in the Pillswood Tesla Contracts;
- the balance of Projects within the Seed Portfolio and the Advanced Project are the subject of the Framework Agreement with Tesla pursuant to which, among other things, Tesla undertakes to supply and install the battery modules on a Full EPC Wrap according to an agreed timetable.

Once construction is complete and as each Seed Project and the Advanced Project is commissioned, Tesla will be appointed as Revenue Optimiser in respect of each Seed Project and the Advanced Project. The key terms in relation to this engagement are set out in the Framework Agreement, and further details of these arrangements are set out in Part 3 of this Prospectus (*Seed Portfolio and Pipeline*).

The Company has an independent board of non-executive directors and is managed on a day-to-day basis by the AIFM, as advised by the Investment Adviser. Further details of the governance and management of the Company are set out in Part 4 of this Prospectus.

Application will be made to the London Stock Exchange for any Shares issued and to be issued pursuant to this Prospectus to be admitted to the Specialist Fund Segment of the Main Market. It is expected that Admission will become effective, and that dealings in the Ordinary Shares will commence, at 8.00 a.m. on 9 November 2021.

2. Investment Objective

The Company's investment objective is to provide investors with an attractive and sustainable level of income returns, with the potential for capital growth, by investing in commercial scale energy storage and renewable energy generation projects, with an initial focus on a diversified portfolio of battery energy storage systems located in Great Britain ("**Projects**").

3. Investment Policy

The Company will seek to achieve its investment objective through investment in energy storage and complementary renewable energy generation assets, with an initial focus on a diversified portfolio of utility scale battery energy storage systems ("**BESS**"), located in diverse locations across Great Britain.

The Company may invest in operational, under construction or "shovel ready" Projects, together with providing development finance to Pipeline Projects as described below.

Projects which are "shovel ready" will have in place:

- a completed lease, lease option or agreement for lease in relation to the land upon which that Project is situated;
- planning permission enabling the construction of a suitable Project on that land (subject to any amendments to reflect final technical specifications);
- an industry standard grid connection offer from a DNO/TSO; and
- an EPC contract with material terms in agreed form with a reputable counterparty, ("**Shovel Ready Projects**").

Projects which are under construction will have in place:

- an agreed lease on satisfactory terms in relation to the land upon which that Project is situated;
- an accepted industry standard grid connection offer from a DNO/TSO, and having made at least one milestone payment; and
- a fully executed EPC contract with a reputable counterparty, ("**Under Construction Projects**").

Operational Projects are projects where construction is substantially completed and at such a point that the Project is capable of commercial operations ("**Operational Projects**").

At the point of investment by the Company, Operational Projects will have in place:

- a completed lease on satisfactory terms in relation to the land upon which that Project is situated;
- an executed grid connection agreement with a DNO; and
- satisfactory completion of relevant commissioning tests.

It is anticipated that Shovel Ready Projects will provide the most attractive potential returns for the Company and it is therefore expected that the Company will invest in predominantly Shovel Ready Projects. The Company may also invest in Operational and Under Construction Projects where the Company considers it attractive to do so.

Target revenue sources

It is intended that, once operational, the main revenue streams from the Company's portfolio of Projects will be from the following sources:

- Ancillary services- Projects may generate revenues from short-term contracts procured via regular competitive auctions through which the Company and/or its subsidiaries will provide, on a firm basis, dynamic or non-dynamic response services to National Grid ESO as part of its efforts to cater for changes in network system frequency, balancing the grid and avoiding power outages;
- Asset optimisation- Projects may generate revenues from importing and exporting power in the wholesale market and the National Grid ESO-administered Balancing Mechanism ("**BM**"); and
- Capacity market- Projects may generate revenues by access to the benefit of contracts, or through entering into new contracts, to provide back-up capacity power to National Grid ESO as the Electricity Market Reform delivery body via capacity market contracts of varying terms between 1 year and 15 years in duration.

The contractual arrangements which the Company will put in place in respect of its portfolio of Projects are expected to benefit from diversification across a number of different income streams with various contract lengths, counterparties and return profiles.

These revenue sources will inevitably evolve as the UK energy and energy storage markets and National Grid ESO policy and practice develop, and as such the Company intends to adapt its contractual arrangements to procure what it considers to be the most advantageous revenue streams as the market develops.

BESS technology

The Company intends to invest primarily in BESS Projects using 2-hour lithium-ion battery technology, as such technology is believed by the Investment Adviser to offer the most efficient operation and return profile and has a number of advantages over shorter duration batteries. However, the Company remains agnostic as to which energy storage and generation technology is used by the projects in which it invests and will monitor projects and may invest in projects with alternative technologies (including different duration batteries and combinations and co-location of such technologies), where they meet the Company's investment objective and policy.

Each BESS Project will contain a battery system with a number of battery modules in each stack, each of which is independent and can be replaced separately. This reduces the impact of failure of one or more battery modules and therefore offers protection against the potential risk of the operation of a Project being interrupted.

Investment in and ownership of Projects

The Company intends to invest with a view to holding assets until the end of their useful life. However, Projects may also be disposed of, or otherwise realised, where the Investment Adviser recommends that such realisation is in the interests of the Company. Such circumstances may include (without limitation) disposals for the purposes of realising or preserving value, or of realising cash resources for reinvestment or otherwise.

The Company may also consider investing in the re-powering of Projects by replacing degraded cells in order to extend Project cash flows, or increasing the capacity of Projects where the grid connection is under-utilised.

The Company will typically achieve legal and operational control of Projects through direct or indirect stakes of 100 per cent. in the relevant Project Companies, and may use a range of investment instruments in the pursuit of its investment objective, including but not limited to debt and equity instruments.

In certain circumstances, the Company may participate in joint ventures or co-investments, including (without limitation) with other investors or entities with whom members of the Harmony Group have developed assets, where this approach enables the Company to gain exposure to assets within the Company's investment policy which the Company would not otherwise be able to acquire on a wholly-owned basis. In such circumstances the Company will seek to secure its shareholder rights through contractual and other arrangements to, *inter alia*, ensure that the Projects are operated and managed in a manner that is consistent with the Company's investment policy.

Development Finance

The Company may provide loan finance to Pipeline Projects prior to an anticipated acquisition ("**Pre-Acquisition Development Loans**"). Such finance may be for the commissioning of design works, pre-construction studies (including but not limited to geotechnical studies), acquisition of equipment or other development costs for the furtherance of the relevant project, provided that no more than 10 per cent. of Gross Asset Value (calculated at the time that finance is provided based on the latest available valuations) may be exposed in aggregate to such loans.

The Company may also provide funding via loans or equity contributions to Project Companies which are owned by the Company ("**Post-Acquisition Development Finance**") for the purposes of:

(a) evaluating and/or executing asset management initiatives which the Investment Adviser reasonably believes to be value accretive and supportive of the Company's overall target return, such as extension or amendment of leases and/or renegotiation of consents or grid connection agreements to increase import/export capacity; or

(b) developing complementary renewable generation infrastructure to be owned and operated by the relevant Project Company. This funding may be used for any reasonable development expenses such as preliminary design work, planning applications and/or commercial studies,

provided in all cases that no more than 10 per cent. of Gross Asset Value (calculated at the time that finance is provided based on the latest available valuations) may be exposed in aggregate to such finance.

The total aggregate exposure of the Company to Pre-Acquisition Development Loans and Post-Acquisition Development Finance will not exceed 15 per cent. of Gross Asset Value (calculated at the time that finance is provided based on the latest available valuations).

Complementary Renewable Generation Assets

Whilst the Company's primary focus under its investment policy is to invest in BESS and other energy storage projects, the Company may also invest in renewable generation assets where it would be attractive to do so. This may include projects with co-located BESS and solar PV generation sharing the same grid connection or stand-alone solar PV projects, where these would be complementary to the Company's other investments and support the Company's overall target return, subject to the investment restrictions below.

Investment Restrictions

The Company aims to achieve diversification principally through investing in a range of Projects benefitting from different income streams with different counterparties and located in different regions of Great Britain. The Company will observe the following investment restrictions when making investments:

- following the acquisition of the Seed Projects by the Company, the acquisition price of any single Project shall not exceed 20 per cent. of the Company's Gross Asset Value measured at the time of investment;
- following the acquisition of the Seed Projects, the Company will seek to ensure that it has holding interests in not less than five separate Projects at any one time;
- no more than 35 per cent. of Gross Asset Value, calculated immediately following each investment, will be invested in Projects which are not BESS Projects;
- no more than 25 per cent. of Gross Asset Value, calculated immediately following each investment, will be invested in assets in relation to which the Company does not hold a direct or indirect stake of 100 per cent.;
- no more than 10 per cent., in aggregate, of the value of the total assets of the Company at Initial Admission will be invested in UK listed closed-ended investment funds;
- the Company will not conduct any trading activity which is significant in the context of the Group as a whole; and
- no investments will be made in fossil fuel assets, including fossil fuel-powered generators.

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

Individual projects will be held within special purpose vehicles into which the Company will invest through equity and/or debt instruments. It is intended that each Project Company will hold one project but a Project Company may own more than one project. The investment restrictions will be applied on a look-through basis.

Borrowing Policy

The Company does intend to assess its ability to raise debt and will consider introducing leverage (at the Company level and/or the Project Company level) once sufficient assets have been acquired and to the extent funding is available on acceptable terms. In addition, it may from time to time use borrowing for short-term liquidity purposes which could be achieved through a loan facility or other types of collateralised borrowing instruments. The Company is permitted to provide security to lenders in order to borrow money, which may be by way of mortgages, charges or other security interests or by way of outright transfer of title to the Company's assets. The Directors will restrict borrowing to an amount not exceeding 49 per cent. of the Company's Net Asset Value at the time of drawdown.

At the date of this Prospectus, the Company has not incurred any borrowings or indebtedness or other leverage and has not granted any mortgages, charges or security interests over or in relation to any of its assets.

In circumstances where these aforementioned limits are exceeded as a result of gearing of one or more Project Companies in which the Company has a non-controlling interest, the borrowing restrictions will not be deemed to be breached. However, in such circumstances, the matter will be brought to the attention of the Board who will determine the appropriate course of action.

Currency, Hedging Policy and Derivatives

Efficient portfolio management techniques may be employed by the Company, and this may include (as relevant) currency hedging, interest rate hedging and power price hedging. Derivatives may be used for currency, interest rate and power price hedging purposes as set out below and for efficient portfolio management. However, the Directors do not anticipate that extensive use of derivatives will be necessary.

Cash Management

The Company may hold cash on deposit and may invest in cash equivalent investments, which may include short-term investments in money market type funds ("**Cash and Cash Equivalents**").

There is no restriction on the amount of Cash and Cash Equivalents that the Company may hold and there may be times when it is appropriate for the Company to have a significant Cash and Cash Equivalents position. For the avoidance of doubt, the restrictions set out above in relation to investing in UK listed closed-ended investment companies do not apply to money market type funds.

Changes to and Compliance with the Investment Policy

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

In the event of a breach of the investment guidelines and the investment restrictions set out above, the AIFM shall inform the Board upon becoming aware of the same and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

For the purposes of the investment policy, "Gross Asset Value" means the aggregate of (i) the fair value of the Company's underlying investments (whether or not subsidiaries), valued on an unlevered basis, (ii) the Company's proportionate share of the cash balances and cash equivalents of assets and non-subsidiary companies in which the Company holds an interest and (iii) other relevant assets and liabilities of the Company (including cash) valued at fair value (other than third party borrowings) to the extent not included in (i) or (ii) above.

4. Dividend Policy and Target Returns

On the basis of market conditions as at the date of this Prospectus, the Company will target an initial dividend yield of 2 per cent. for the calendar year ending 31 December 2022, with such target increasing to 8 per cent. per annum payable quarterly in the periods thereafter (in each case by reference to the Issue Price).

On the basis of market conditions as at the date of this Prospectus and whilst not forming part of the Company's investment objective, the Company will, once the Net Proceeds have been fully invested, target an unlevered Net Asset Value total return of 10 per cent. per annum over the medium to long-term.

Subject to market conditions and the level of the Company's net income, it is expected that a first interim dividend of 1p will be payable in July 2022 for the period running from Admission and the second interim dividend of 1p in December 2022 and thereafter it is intended that dividends on the Shares will be payable quarterly, all in the form of interim dividends (the Company does not intend to pay any final dividends). The Board reserves the right to retain within a revenue reserve a proportion of the Company's net income in any financial year, such reserve then being available at the Board's absolute discretion for subsequent distribution to Shareholders, subject to the requirements of the IT Regulations.

If any C Shares are issued, holders of any class of C Shares following Initial Admission will be entitled to participate in any dividends and distributions of the Company as the Directors may resolve to pay to holders of that class of C Shares out of the assets attributable to that class of C Shares. For the avoidance of doubt, the targets set out above shall not apply with respect to any tranche of C Shares prior to conversion into Ordinary Shares.

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

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

5. Seed Portfolio and Pipeline

The Company has agreed, conditional upon Admission, to acquire the Seed Portfolio from Harmony Energy, comprising five BESS Projects, for an acquisition price which is supported by an independent third party valuation as set out in Part 5 (*Valuer's Opinion*) of this Prospectus. A Framework Agreement has been entered into by Harmony Energy with Tesla in relation to (i) the Seed Portfolio (other than the Pillswood Project, which already benefits from the Pillswood Tesla Contracts with Tesla) and (ii) the Advanced Project which secures relevant dates for delivery by Tesla of relevant BESS equipment as well as target dates for "Substantial Completion" (which includes completion of the work under the Full EPC Wrap, save for minor outstanding work and defects, and commissioning completion) in relation to each relevant Project, as well as fixing the pricing for material components and other key commercial terms for all relevant contracts with Tesla. The Framework Agreement will be novated to the Company on completion of the Acquisition, which will take place on Admission.

The Pillswood Project is Under Construction, and key terms in relation to pricing and delivery timetable are set out in the Full Wrap EPC contained in the Pillswood Tesla Contracts.

Price volatility and equipment supply risks are mitigated in relation to the Seed Portfolio and the Advanced Project, in between the date of acquisition and commencement of operations. Further details of these arrangements are set out in Part 3 of this Prospectus (*Seed Portfolio and Pipeline*).

The Company has also secured exclusive rights to acquire one or more assets comprising the Pipeline Portfolio, subject to completion of adequate due diligence and entry into of a definitive purchase agreement in the form of the Pro Forma Share Purchase Agreement, of which the Advanced Project will be the first to reach Shovel Ready status.

Further information on the Seed Portfolio and Pipeline is provided in Part 3 (*Seed Portfolio and Pipeline Portfolio*) of this Prospectus. The Pipeline Projects are not yet Shovel Ready Projects, and there can be no guarantee that they will become so, or that they will satisfy the Company's investment criteria or due diligence requirements or be acquired by the Company.

6. Harmony Energy

The predecessor company of Harmony Energy was established by Peter Kavanagh in 2010 as a renewable energy developer, focussed on building, owning and operating small to medium size windfarms. From 2012 to 2019 it developed, owned and operated 15 wind sites in the UK, financed through the Universities Superannuation Scheme (USS). The majority of those sites were sold to Blackfinch Investments in December 2019.

Harmony Energy's initial discussions with Tesla date back to 2016. Harmony Energy's first two operating utility-scale battery energy storage projects (with aggregate capacity of 41.5 MW / 83 MWh) were both developed using the Tesla Megapack battery system and Autobidder real-time trading and control platform by project joint ventures between Harmony Energy and Fotowatio Renewable Ventures ("**FRV**"), a third party funder. A third site which is under a pre-existing contract with FRV, the 99 MW / 198 MWh Clay Tye battery energy storage project, has just commenced construction. In addition, Harmony Energy is developing a further two sites, also under pre-existing contracts with a third party funder, totalling 98.5 MW / 197 MWh, and has sold a separate 49.5 MW site to SSE.

All future Projects to be developed by Harmony Energy in Great Britain going forward will be offered to the Company for investment by it under the arrangements comprising the Seed Portfolio, Exclusivity Pipeline and Extended Pipeline.

Harmony Energy has recently completed negotiations with Tesla for relevant contracts in relation to the Pillswood Project (98 MW / 196 MWh), which is a project contained in the Seed Portfolio. Harmony Energy therefore has significant track record and experience in developing battery energy storage projects. Harmony Energy management team personnel have significant experience in engineering, grid connection, planning and other skills which are critical in successfully identifying, developing, and delivering projects, working closely with key contractors during all phases of the process.

Harmony Energy has also developed a 30MW Solar PV site to construction ready stage, which it has agreed to sell to a third party buyer.

Whilst Harmony Energy has a substantial track record with Tesla in the UK and has secured Tesla's Megapack battery energy storage system and services for the Seed Portfolio Projects and the Advanced Project, the Harmony Group continually engages with a range of battery suppliers, revenue optimisers and other service providers which means that it can continue to monitor and assess the optimum partners to work with going forward.

Further details on Harmony Energy and its senior principals are set out in paragraph 3.2 of Part 4 (*Directors, Management and Administration*).

7. The Investment Adviser

The Investment Adviser is a wholly owned subsidiary of Harmony Energy. The management team has relevant experience in revenue optimisation software development specific to battery energy storage in Great Britain. This allows the Investment Adviser a high degree of understanding of relevant revenues available to battery energy storage, how a battery energy storage project might maximise returns in such landscape, and how a Revenue Optimiser (such as Tesla, via its Autobidder platform) should and/or could perform at the highest level in relation to revenue optimisation services supplied to the BESS Projects. The Investment Adviser intends to use this knowledge to effectively advise the Company in the supervision of the Revenue Optimiser engaged by the Project Companies from time to time.

The management team of the Investment Adviser have been exclusively focussed on the energy storage sector (across multiple projects) in Great Britain for over six years, both from the point of view of asset owner/developer and in a third party advisory capacity. Specifically, Max Slade and Paul Mason have analysed and advised multiple clients (institutional and private investors, developers and other industry stakeholders)

as independent consultants on energy storage projects across a range of technologies, durations, locations and revenue strategies, including the commercial elements of co-location of battery energy storage with renewable generation technologies. They also designed and created the foundation software for a working balancing mechanism simulation algorithm for battery energy storage and were appointed by Ørsted A/S as marketing agent for its battery energy storage revenue optimisation service offering in the UK.

Further details on Investment Adviser and its senior principals are set out in paragraph 3.2 of Part 4 (*Directors, Management and Administration*).

8. Competitive Advantages

The Company believes that it has the following competitive advantages, as described further in the *Investment Opportunity* section of Part 2 below:

Attractive dividend yield and project returns

The Company is targeting an attractive dividend yield of 8 per cent. per annum, payable quarterly from 2023. Moreover, by investing predominantly in Shovel Ready Projects, the Company seeks to maximise opportunity for potential risk-adjusted capital value growth and it is expected by the Investment Adviser that the Company will benefit from a future fair value uplift to reflect the change in development status of each Project from Shovel Ready to Operating. Once the Net Proceeds from the Initial Issue have been fully invested and the Projects are constructed and commissioned, the target unlevered net asset value total return for the Projects is 10 per cent. per annum over the medium to long-term.

The target returns and dividends stated above are targets only based on certain assumptions and not a profit forecast. There can be no assurance that these targets will be met and should not be taken as an indication of the Company's expected future results.

Experienced developer with proven track record of delivering battery storage projects through construction process

The Harmony Energy team has a significant and current track record and experience in developing and delivering renewable energy generation projects and more recently battery energy storage projects. Harmony Energy started working with Tesla in 2016 and engaged Tesla as supplier and EPC contractor in relation to their first and second projects, Holes Bay in Dorset (7.5 MW / 15 MWh) and Contego (34 MW / 68 MWh), which was commissioned in July 2021. Harmony Energy has also recently announced the commencement of work at the 99 MW / 198 MWh Clay Tye site using a system of Tesla Megapack lithium-ion batteries, together with Tesla's Autobidder AI software for real-time trading and control- the biggest project of its kind under construction in the UK in terms of energy capacity.

Investment Adviser with experience of revenue optimisation

The Investment Adviser has relevant experience in revenue optimisation and a high degree of understanding of relevant revenues available to battery energy storage, how a battery energy storage project might maximise returns in such landscape and how a Revenue Optimiser (such as Tesla, via its Autobidder platform) should and/or could perform at the highest level in relation to revenue optimisation services supplied to the BESS Projects.

Significant secure pipeline of projects

Harmony Energy currently owns 100 per cent. of the Seed Portfolio and the Advanced Project, totalling 312.5MW and will also control the Project Companies in respect of the Exclusivity Pipeline, totalling 687.5 MW. In addition to this, Harmony Energy intends to continue sourcing and developing battery energy storage projects meeting the Company's investment objective and policy.

Fixed valuation of Seed Projects and Advanced Project

The acquisition price in relation to Seed Projects and the Advanced Project is calculated in each case from a modelled total fixed funding requirement (including construction costs) of £750,000 per MW, supported by the Valuation Opinion Letter. By fixing the £750,000 per MW funding requirement within the Project budget underpinned by the Framework Agreement, Harmony Energy bears the risk of any costs overrun in

relation to a Project such that the amount of Cash Consideration that Harmony Energy receives in relation to each Seed Project varies depending upon the costs of the Projects. If the costs are higher than anticipated, Harmony Energy will therefore receive less Cash Consideration.

The calculation of the fixed funding requirement is enabled by virtue of the Pillswood Tesla Contracts (in respect of the Pillswood Project) and the Framework Agreement with Tesla, which sets key contractual terms in relation to the other Seed Projects and Advanced Project including BESS equipment pricing for key components, equipment delivery timetable and construction timetable.

Tesla – world-leading delivery partner and technology

All of the Seed Projects have planning approval for the installation of Tesla battery energy storage systems. The Tesla Megapack is a 2-hr duration system, which increases the number of MWh which can be utilised in both the wholesale markets and the BM, therefore providing greater revenue potential in these markets when compared to a shorter-duration system. In the event that revenues in the balancing services markets become unattractive compared to wholesale/BM markets, the revenue strategy of the BESS Projects will adjust to focus more on the latter and the 2-hr duration capability which the Investment Adviser believes will provide a competitive advantage over the more common, 1 to 1.5hr projects operating in these markets.

Harmony Energy Alignment

In order to demonstrate long-term alignment with Shareholders, Harmony Energy has elected to receive an element of consideration in relation to the acquisition of each Seed Project and Exclusivity Project in the form of Consideration Shares. In addition, senior management of Harmony Energy and their associates will subscribe for 2,500,000 Ordinary Shares under the Initial Placing and Offer for Subscription. All such Shares shall be subject to lock-up provisions for five years from the date of issue of the relevant shares. Further details of the lock-up arrangements are set out in paragraph 8.9 of Part 9 (*General Information*).

Tesla – alignment of interests as preferred supplier of both BESS performance warranty and Revenue Optimiser

Under the Pillswood Tesla Contracts (in relation to the Pillswood Project) and the Framework Agreement (in relation to the other Seed Projects and the Advanced Project, as described in Part 3 of this Prospectus) Tesla will not only be responsible for the supply, installation and maintenance of each relevant BESS Project, but Tesla will also provide a 15 year warranty as to the performance of such BESS Project and will provide revenue optimisation services involving day-to-day control of the charging and discharging profile of the BESS Project and therefore responsibility for maintaining such profile within the defined qualifying parameters of the performance warranty.

The fee payable to Tesla by each relevant Project Company under a revenue optimisation agreement is structured as a percentage of net revenue obtained. Therefore Tesla is both incentivised and best-placed to understand how to operate the BESS Project with a view to maximising revenues without impairing the long-term operating efficiency of the BESS Project.

9. ESG Policy

As a renewables infrastructure company, the Company believes in the fundamental link between sound Environmental, Social and Governance ("**ESG**") and achieving good long-term performance in the Company's business objectives. Furthermore, whilst identifying, measuring and managing ESG considerations can assist in the financial performance of the Company, the Board, the AIFM and the Investment Adviser believe that it is incumbent on listed companies such as the Company to seek to promote and facilitate change for the better across a number of areas where it is feasible to do so. The Company, together with the AIFM and the Investment Adviser, have identified a number of key principles to be embedded into the Company's ESG policy.

Governance

At the Company level, the Company has a board of five independent non-executive directors of whom 40 per cent. are female. The Board is committed to diversity and the recommendations of the Hampton Alexander Review of female representation and gender imbalance on FTSE 350 boards (now called the FTSE Women Leaders Review) and the Parker Review into the ethnic diversity of UK boards. The Board will seek to implement high standards of corporate governance in accordance with the AIC Code.

The Board also recognises the importance of sound governance within the Harmony Group and the Board, the AIFM and the Investment Adviser have agreed that the Harmony Group will ensure that high standards of risk and compliance shall be maintained together with a commitment to sustainability with regard to investments and applying best practice industry standards. The Investment Adviser is committed to robust Health and Safety Standards and transparent reporting to the Board and the AIFM respectively.

The Board has established an ESG Committee to develop and monitor the Company's ESG policy, together with the ESG performance of the Investment Adviser. Further details on the ESG Committee are set out in paragraph 2 of Part 4 (*Directors, Management and Administration*) of this Prospectus.

Environment

As a Company which invests in assets which are fundamental to the operation of the renewable energy sector as a whole, the Board, the AIFM and the Investment Adviser believe that the Company is well-placed to assist in the drive for positive environmental change to help tackle climate change and the challenges which this poses.

The Company's primary focus in investing in utility scale energy storage projects will help facilitate increased use of renewable energy sources which by their nature are more volatile in supplying energy than traditional energy generation methods such as fossil fuels and nuclear power. An increased reliance on renewable energy sources is only possible, in part, due to solutions such as energy storage assets which can act to balance increasingly volatile supply and demand in the electricity system. The assets in which the Company will invest help deliver energy at the point of use.

As part of the Investment Process and management of the assets, in its recommendation to the AIFM, the Investment Adviser will analyse and monitor the projects in which the Company invests to seek to ensure maximum optimisation of the environmental benefits of each project and minimisation of any environmental risks.

As Tesla has been engaged to act as Supplier, EPC Contractor, O&M operator and Revenue Optimiser in respect of the Seed Portfolio, the Company, the AIFM and the Investment Adviser see strong underpinning of the Company's approach through Tesla's own ESG approach as a world-leading supplier.

At the end of each battery life (expected to be 15 years), it is anticipated that Tesla will fully recycle the battery parts / modules which can then be repurposed into new battery or alternative uses. Tesla's 2020 impact report states that from each 1 MWh of end of life batteries, 0.92 MWh worth of raw materials can be recovered.

The Investment Adviser will continue to monitor Tesla's ESG performance, or that of any other supplier of batteries which the Investment Adviser may advise the Company to appoint in the future.

Social

The Board, the AIFM and the Investment Adviser place great importance on positive societal benefits from the Company's activities and investments. The Investment Adviser will place strong focus on supporting supply chains through:

- Responsible procurement;
- Traceability of supply;
- Creating employment; and
- Promoting and enabling sustainable communities.

The Investment Adviser will analyse key social metrics regarding the development and implementation of projects to ensure that positive social benefits are present from the procurement stage of a project through implementation and operation and decommissioning in its recommendations to the AIFM. Examples of Harmony Group's past and ongoing social initiatives include:

- Annual donations to selected local Parish Councils to support their own community projects;
- Commitments to planting for nature and wildflower conservation, including hedgerow planting on the site of Harmony Energy's recently-constructed Contego project; and

- Seeking to promote biodiversity and local ecology on all future projects, where possible given the physical characteristics of the relevant site.

UN Sustainable Development Goals ("UN SDGs")*

The Board, the AIFM and the Investment Adviser acknowledge the importance of the UN SDGs in providing a framework to promote and drive change and improvements globally. The Board, the AIFM and the Investment Adviser recognise that the Company and the Investment Adviser have a part to play in this drive and have identified the key UN SDGs where the Company can make a positive contribution:

UN SDG[2]	*UN SDG Target*[3]	*Company focus*
	• Ensure universal access to affordable, reliable and modern energy services (7.1) • Increase substantially the share of renewable energy in the global energy mix (7.2) • Double the global rate of improvement in energy efficiency (7.3) • Promote investment in energy infrastructure and clean energy technology (7.a) • Expand infrastructure and upgrade technology for supplying modern and sustainable energy services (7.b.)	• Investing in energy storage assets which is essential infrastructure in the provision of renewable energy
	• Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes (9.4) • Enhance scientific research, upgrade the technological capabilities of industrial sectors including through encouraging innovation and R&D (9.5)	• Continually look to improve technologies through which energy storage can be facilitated
	• Empower and promote inclusion and diversity (10.2)	• Monitor and manage the Company's board and the approach of key service providers to equality and diversity
	• Substantially reduce waste generation through prevention, reduction, recycling and reuse (12.5)	• Identify and manage all ways through which the production and supply of batteries is procured and how waste can be prevented or repurposed including the recycling of Lithium-ion in battery cells

Transparency and reporting

The Company, the AIFM and the Investment Adviser are committed to providing transparent reporting on its approach to ESG and will seek to roll out its framework for ESG reporting following Admission with the identification of and reporting on key performance indicators ("**KPIs**") to monitor, assess and benchmark performance.

2 Source: https://www.un.org/sustainabledevelopment

3 Paraphrased excerpts from targets shown. For full targets, please refer to https://sdgs.un.org/goals

* The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.

The key performance metrics which the Company expects to report against include, but are not limited to, the following:

Environmental key reporting metrics

- Total energy consumed and distributed;
- Carbon Intensity of energy consumed and distributed including gross scope 1 and scope 2 greenhouse gas emissions; and
- Intensity Ratio of greenhouse gas emissions per MW battery capacity.

Social key reporting metrics

- Total direct and indirect economic contributions to the local community in close proximity to the Company's sites;
- Lost time injury rate (per 1 million or 200,000 hours worked);
- Supply chain:
  - percentage of suppliers that have signed supplier code of conduct; and
  - percentage of suppliers audited annually.

Governance key reporting metrics

- Number of and attendance at Board and Committee meetings; and
- Gender and ethnicity diversity across the Board.

United Nations Principles for Responsible Investment (UN PRI)

The Company will apply to become a signatory to the UN PRI.

Green Economy Mark

The Company is expected to qualify for the London Stock Exchange's Green Economy Mark at Admission, which recognises companies that derive 50 per cent. or more of their total annual revenues from products and services that contribute to the global green economy.

10. Net Asset Value

The Company's assets and liabilities will be valued in accordance with the Company's accounting policies. The Net Asset Value is the value of all assets of the Company less its liabilities (including provisions for such liabilities) calculated in accordance with the Company's valuation methodology.

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

The unaudited Net Asset Value and Net Asset Value per Ordinary Share (and Net Asset Value per C Share, where applicable) will be calculated in Sterling by the Administrator as described below and based on the quarterly valuations of the Projects and made available on the Company's website and announced through an RIS as soon as practicable thereafter. The calculations of the NAVs as at 30 April and 31 October each year will be supported by independent valuations prepared for the purposes of the Company's interim and annual financial statements and will be reported to Shareholders as part of those financial statements.

Valuation Methodology

The NAV calculation is mainly driven by the fair value of the Company's investments in Projects calculated in accordance with the valuation methodologies for unlisted investments as set out in the International Private Equity and Venture Capital Valuation guidelines and applicable accounting standards.

Fair value for each investment is calculated from the present value of the investment's expected future cash flows, using reasonable assumptions and forecasts for revenues, operating costs, macro-level factors and an appropriate discount rate. This method will be consistent, so far as possible, with that used by the Valuer in providing the Valuation Opinion Letter set out in Part 5 (*Valuer's Opinion*) of this Prospectus.

The Company will use a blended discount rate in respect of the expected future cashflows of the Seed Projects. It is intended that this blended discount rate will also be applied in respect of the expected future cashflows of Projects acquired by the Company in the future with the Gross Proceeds. The Investment Adviser will exercise its judgement in assessing the expected future cash flows from each investment. The Investment Adviser will produce, for each underlying Project, detailed financial models and the Investment Adviser will take into account, amongst other things, in its review of such models, and make amendments where appropriate to:

(i) discount rates (i) implied in the price at which comparable transactions have been announced or completed in the UK energy storage sector (if available); (ii) publicly disclosed by the Company's peers in the UK energy storage sector (if available); and (iii) discount rates applicable for other comparable infrastructure asset classes and regulated energy sectors;

(ii) changes in power market forecasts from leading market advisers;

(iii) changes in the economic, legal, taxation or regulatory environment, including changes in retail price index expectations;

(iv) technical performance based on evidence derived from project performance to date;

(v) the terms of any power purchase agreement arrangements;

(vi) accounting policies;

(vii) the terms of any debt financing at project level;

(viii) claims or other disputes or contractual uncertainties; and

(ix) changes to revenue, cost or other key assumptions (may include an assessment of future cost trends, as appropriate).

All NAV calculations by the Administrator are made, in part, on valuation information provided by the Investment Adviser or the AIFM on the advice of an independent valuer, as applicable. The AIFM will appoint an independent valuer to provide valuations of the Company's portfolio for inclusion in the Company's half-yearly and annual financial reports. Valuations as at the end of each shoulder quarter will be provided by the Investment Adviser. Although the Administrator evaluates all such information and data, it may not be in a position to confirm the completeness, genuineness or accuracy of such information or data.

The Board, supported by the Audit and Risk Committee, reviews the operating and financial assumptions, including the discount rates, used in the valuation of the Company's underlying portfolio and approves them based on the recommendation of the Investment Adviser. As part of the annual audit, the Auditor reviews the valuation model used for the financial reports, including the discount rate.

The Board may determine that the Company shall temporarily suspend the determination of the Net Asset Value per Ordinary Share (and Net Asset Value per C Share, where applicable) when the prices of any investments owned by the Company cannot be promptly or accurately ascertained. However, in view of the nature of the Company's investments, the Board does not envisage any circumstances in which valuations will be suspended. Any suspension in the calculation of the Net Asset Value will be notified to Shareholders through a Regulatory Information Service as soon as practicable after such suspension occurs.

Suspension of the calculation of the Net Asset Value

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

11. Reports, Accounts and Meetings

The audited accounts of the Company will be prepared in Sterling under IFRS. The Company's annual report and accounts will be prepared up to 31 October each year, with the first accounting period of the Company ending on 31 October 2022. It is expected that copies of the report and accounts will be published by the end of February each year and copies sent to Shareholders. The Company will also publish an unaudited half-yearly report covering the six months to 30 April each year, which is expected to

be published within the following three months. The first financial information that the Company will publish will be the half-yearly report for the period ending on 30 April 2022 (covering the period from incorporation of the Company).

The financial report and accounts and unaudited half-yearly report, once published, will be available for inspection at the Company's registered office and on the Company's website (www.heitp.co.uk).

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

All general meetings will be held in the UK. The Company will hold its first annual general meeting by 1 April 2023 and will hold an annual general meeting each year thereafter. Other general meetings may be convened from time to time by the Directors by sending notices to Shareholders.

12. Share Capital Management

Premium Management

Once the Net Proceeds of the Initial Issue have been fully committed and substantially deployed, the Company may implement the Placing Programme. In addition to raising capital, Shares may be issued pursuant to the Placing Programme or otherwise to seek to manage the premium to Net Asset Value per Ordinary Share at which the Ordinary Shares trade. The Directors may issue, in aggregate, up to 250 million Shares (being Ordinary Shares and/or C Shares) pursuant to the Placing Programme. Shareholders' pre-emption rights over this unissued share capital have been disapplied so that the Directors will not be obliged to offer any new Shares under the Placing Programme to Shareholders *pro rata* to their existing holdings; this ensures that the Company retains full flexibility, following Initial Admission, in issuing new Shares to investors. The minimum price at which Ordinary Shares may be issued is the prevailing estimated Net Asset Value per Ordinary Share at the time of issue plus a premium intended to at least cover the costs and expenses of such issue (including, without limitation, any placing commissions).

Further details of the Placing Programme are set out in Part 7 of this document. Investors should note that the issuance of new Shares is entirely at the discretion of the Board, and no expectation or reliance should be placed on such discretion being exercised on any one or more occasions or as to the proportion of new Shares that may be issued.

Discount Management

Repurchase of Ordinary Shares

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

Resolutions have been passed granting the Directors authority to repurchase up to 14.99 per cent. of the Company's issued Ordinary Share capital (respectively) immediately following Initial Admission during the period expiring on the conclusion of the earlier of the Company's first annual general meeting (to be held not later than 1 April 2023). Renewal of these buyback authorities will be sought at each annual general meeting of the Company or more frequently if required. Ordinary Shares purchased by the Company may be held in treasury or cancelled.

In the event that the Ordinary Shares trade at a discount of eight per cent. or more to the last published Net Asset Value calculated on the moving average mid-price of the Ordinary Shares during a six month period, the Board shall, subject to having cash available for the purpose and taking into account the prevailing circumstances, buy back Ordinary Shares within the 14.99 per cent. authority referred to above.

In the event that the Board decides to repurchase Ordinary Shares, purchases will only be made through the market for cash at prices not exceeding the last reported Net Asset Value per Ordinary Share and such purchases will only be made in accordance with the Listing Rules, which currently provide that the maximum price (exclusive of expenses) to be paid per Ordinary Share must not be more than the higher of (i) 5 per cent.

above the average of the mid-market quotations for the Ordinary Shares for the five Business Days before the purchase is made; and (ii) the price stipulated by article 5(6) of the Market Abuse Regulation.

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

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

Treasury Shares

Any Ordinary Shares repurchased may be held in treasury. The Act allows companies to hold shares acquired by way of market purchase as treasury shares, rather than having to cancel them. These shares may be subsequently cancelled or (subject to there being in force a resolution to disapply the rights of pre-emption that would otherwise apply) sold for cash. This would give the Company the ability to reissue Ordinary Shares quickly and cost effectively, thereby improving liquidity and providing the Company with additional flexibility in the management of its capital base.

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

13. Continuation Resolution

Whilst the Company fully expects, based on the exclusive pipeline of 1GW of projects available to it, to be in a position to scale the Company significantly beyond the Initial Issue, in the event that by the end of 2024 the Company's Net Asset Value does not equal or exceed £250 million, the Directors will propose an ordinary resolution at the following annual general meeting that the Company continues its business (the "**Initial Continuation Resolution**"). The Directors will (unless the Initial Continuation Resolution is proposed, but is not passed), propose an ordinary resolution at the annual general meeting to be held in 2027 that the Company continues its business as presently constituted (a "**Continuation Resolution**"). If this Continuation Resolution is passed, then the Directors shall every four years thereafter at the annual general meeting held following the publication of the audited accounts propose a further Continuation Resolution. If the Initial Continuation Resolution or any Continuation Resolution is not passed, the Directors will put forward proposals for the reconstruction or reorganisation of the Company to Shareholders for their approval as soon as reasonably practicable following the date on which the Initial Continuation Resolution or any Continuation Resolution (as the case may be) is not passed. These proposals may or may not involve winding up the Company and, accordingly, failure to pass the Initial Continuation Resolution or any Continuation Resolution will not necessarily result in the winding up of the Company.

14. Profile of Typical Investors

The typical investors for whom the Shares are intended are institutional investors, professional investors, professionally advised and knowledgeable investors and non-advised private investors who fall within the criterion above who are capable themselves of evaluating the merits and risks of an investment in the Company and who have sufficient resources both to invest in potentially illiquid securities and to be able to bear any losses (which may equal the whole amount invested) that may result from the investment. Such investors may wish to consult an independent financial adviser prior to investing in the Shares.

The Specialist Fund Segment is intended for investment products targeted at institutional, professional, professionally advised and knowledgeable investors and, accordingly, applications under the Offer for Subscription received direct from retail investors may be rejected by the Company.

15. Non-Mainstream Pooled Investment Products

The Company intends to conduct its affairs so that its Shares are excluded from the FCA's restrictions which apply to non-mainstream pooled investment products ("**NMPI**") because they are shares in an investment trust.

The Directors consider that the requirements of Article 57 of the MiFID II delegated regulation of 25 April 2016, as amended by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018, will be met in relation to the Shares and that accordingly, the Shares should be considered "non-complex" for the purposes of MiFID II.

16. C Shares

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

- the C Shares will not convert into Ordinary Shares until at least 85 per cent. of the net proceeds of the C Share issue have been deployed in accordance with the Company's investment policy (or, if earlier, 12 months after the date of their issue);
- the assets representing the net proceeds of a C Share issue will be accounted for and managed as a distinct pool of assets until their conversion date. By accounting for the net proceeds of a C Share issue separately, Ordinary Shareholders will not participate in a portfolio containing a substantial amount of uninvested cash before the conversion date;
- the basis on which the C Shares will convert into Ordinary Shares is such that the number of Ordinary Shares to which holders of C Shares will become entitled will reflect the relative net asset values per share of the assets attributable to the relevant tranche of C Shares and the Ordinary Shares. As a result, the Net Asset Value per Ordinary Share can be expected to be unchanged by the issue and conversion of any C Shares; and
- the Net Asset Value of the Ordinary Shares will not be diluted by the expenses of the C Share issue, which will be borne by the C Share pool.

The Articles contain the C Share rights, full details of which are set out in paragraph 4.20 of Part 9 of this document.

17. Disclosure Obligations

The provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules (as amended from time to time) ("**DTR 5**") of the Financial Conduct Authority Handbook apply to the Company on the basis that the Company is a "UK issuer", as such term is defined in DTR 5.

As such, a person is required to notify the Company of the percentage of voting rights it holds as a holder of Ordinary Shares or holds or is deemed to hold through the direct or indirect holding of financial instruments falling within DTR 5 if, as a result of an acquisition or disposal of Ordinary Shares (or financial instruments), the percentage of voting rights reaches, exceeds or falls below the relevant percentage thresholds being, in the case of a UK issuer, 3 per cent. and each 1 per cent. threshold thereafter up to 100 per cent.

18. The Takeover Code

The Takeover Code applies to the Company.

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

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

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

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

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

PART 2

MARKET BACKGROUND AND INVESTMENT OPPORTUNITY

1. Market Background

1.1 ***Overview***

The UK has a legally binding target to achieve "net zero"[4] by 2050 and has enshrined in law a target to reduce emissions by 78 per cent. by 2035 compared to 1990 levels. These targets, along with attractive subsidy regimes, have created the opportunity for significant investment into renewable energy generation in the UK. Electricity generated from renewables has steadily increased over recent years and this trend is expected to continue.

Renewables are known as "intermittent" generation assets as their output relies on prevailing weather conditions and can therefore be difficult to accurately forecast ahead of delivery. This is in contrast to conventional fossil fuel power stations, which typically operate at a steady state and with a high degree of predictability throughout the day.

Battery energy storage remains an under-developed asset class, with c. 1.2 GW built and operating today, versus a potential energy storage requirement of up to 43 GW by 2050.

Supply and demand of electricity must be balanced and matched in real-time in order to maintain the stability of the electricity system. Responsibility for this balancing lies with National Grid ESO as the system operator. This role has become more challenging and costly, with increases in intermittent generation a key contributing factor. National Grid ESO spent £1.3 billion on balancing the system in 2020, a year-on-year increase of 67 per cent., and a 157 per cent. increase since 2015. The Investment Adviser views 2020 as a good indicator of future GB system requirements, as Great Britain experienced prolonged periods of very high renewable penetration caused by low demand in response to national lockdowns.

In response to growing costs, National Grid ESO has developed new processes, systems, and service products in order to encourage new technologies, and in particular battery energy storage, to develop and participate. Batteries are used by National Grid ESO to provide two broad categories of service: "Response" – responding to a fault or unexpected large plant outage; and "Reserve" – providing backup to National Grid ESO which can be called upon in order to prevent a fault from occurring in the first place. Batteries represent an efficient technology for National Grid ESO to use for these services, due to their ability to both generate or consume electricity (i.e. to respond in either direction) and with response times far quicker than other technologies (such as Combined Cycle Gas Turbines). Response and Reserve services are together referred to in this Prospectus by the collective term "balancing services", and can also be referred to as "ancillary services".

Total capacity for balancing services is finite at any point in time and these markets are relatively shallow compared to other key markets in which batteries operate: the wholesale markets and the Balancing Mechanism ("**BM**").

The BM is also operated by National Grid ESO and complements its procurement of balancing services. The BM is used to manage system constraints, procure reserve and balance the supply and demand of energy in *real time*, with market participants communicating their availability and pricing on a rolling 30-minute basis. The Investment Adviser views the BM as an area of potential growth for battery storage, with National Grid ESO seeking to reduce barriers to entry over recent years and with consistently higher spreads available than the wholesale market.

Finally, wholesale markets (both intra-day and day-ahead) represent the third key market for battery storage in addition to balancing services and the BM. Battery storage operators can trade power days

4 "Net zero" has been defined by HM Government as meaning that "any emissions would be balanced by schemes to offset an equivalent amount of greenhouse gases from the atmosphere, such as planting trees or using technology like carbon capture and storage".

or hours in advance via liquid exchanges, contracting with third parties. Like the BM, the Investment Adviser believes wholesale markets will become a more important part of the revenue mix for battery storage as renewable penetration (and associated price volatility) increases. Indeed, the first two weeks of September 2021 have seen numerous price records broken in the wholesale markets as low wind output has coincided with rising global gas costs – a trend the Investment Adviser believes is only set to grow as the UK seeks to decarbonise the power sector.

1.2 ***Growth of Renewables***

National Grid ESO produces a number of scenarios looking at a range of credible outcomes in relation to electricity supply and demand. The different scenarios consider different routes towards decarbonisation based on varying rates of system and consumer change. These are updated and presented in National Grid ESO's annual Future Energy Scenarios ("**FES**") publication.

The four scenarios are:

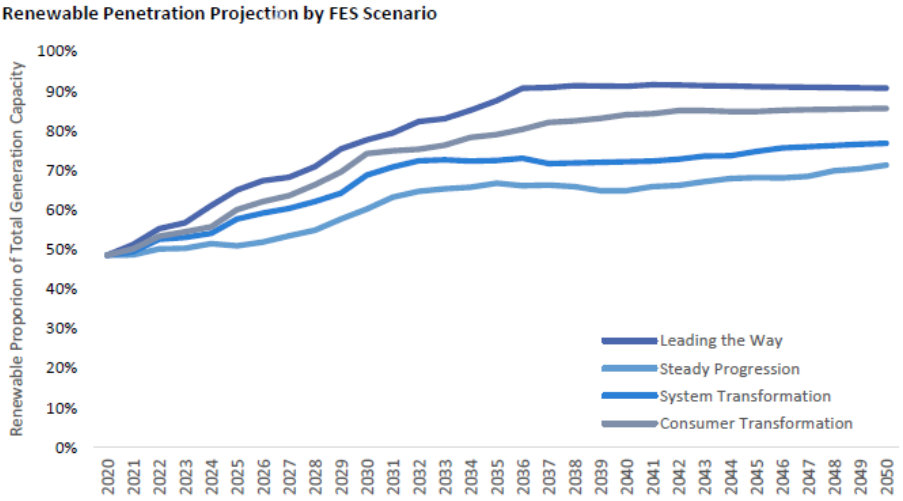
A. **Steady Progression** – the slowest credible route to decarbonisation with limited behaviour change. This is based on decarbonisation of electricity and transport but not heat.

B. **Consumer Transformation** – based on high levels of consumer engagement driving electrified heating, high energy efficiency and demand side flexibility.

C. **System Transformation** – based on hydrogen for heating, with consumers less likely to change behaviour. Flexibility is driven by electricity supply rather than demand.

D. **Leading the Way** – the fastest credible route to decarbonisation involving significant lifestyle change and a mixture of hydrogen and electrification for heating.

The share of GB energy production to be generated from renewable energy is expected to increase significantly over the next 30 years. Wind and solar capacity represented around 50 per cent. of generation capacity in 2020, and this is predicted to reach up to 78 per cent. by 2030 and up to 91 per cent. by 2050.[67]



Source: Harmony Energy Advisors research based on data from National Grid ESO's FES

This projected increase in renewables is expected to provide increased opportunities for battery energy storage through both (i) an increased requirement for balancing/ancillary services; and (ii) greater pricing volatility (and increasing spreads) in the wholesale markets and BM over the longer term.

6 Source: FES 2021- Generation Capacity refers to the sum of Thermal, Low Carbon and Renewable generation capacities. Storage and Interconnector capacities are excluded.

7 Source: FES 2021- In both cases these upper bounds refer to the Leading the Way Scenario.

"Currently, investment signals for flexibility are driven by revenues for ancillary services that support system operation whereas, in future, signals should come from the wholesale market to support balancing of energy flows."

"We expect the wholesale price to be more volatile in the future as it is increasingly set by zero marginal cost renewables (i.e. seeing low prices when there are high levels of wind and solar generation output and higher prices where there aren't)."

National Grid ESO, FES 2021

Projected battery energy storage deployment varies by FES scenario, but in all cases is projected to increase significantly from today's levels in order to balance periods of high and low renewable output. Market signals are expected, including from wholesale markets, and National Grid ESO expects longer storage duration to be particularly prevalent.

1.3 ***Monetising Energy Storage***

(a) *Overview*

Battery energy storage is an essential tool to efficiently balance supply and demand of electricity. This balancing can occur ahead of time by taking advantage of price signals in the wholesale markets (i.e. buying at a low price and selling later when pricing is higher) or in near real time by providing balancing services to National Grid ESO.

National Grid ESO spent £1.3 billion on system balancing in 2020, a year-on-year increase of 67 per cent., and a 157 per cent. increase since 2015. This cost has been increasing as renewable penetration has increased, reflecting the greater challenge in balancing a system reliant on intermittent generation capacity.

Balancing services can be divided into two broad categories:

1. **Response** – this refers to fine tuning of electricity supply and demand in near real time in order to maintain a system frequency of 50Hz. If Supply exceeds demand, the frequency will rise, and vice versa. This type of service is typically provided by battery energy storage assets which can quickly and automatically generate or consume electricity in response to detected deviations in system frequency (i.e. they are responding to a detected fault); and

2. **Reserve** – this refers to macro balancing of supply and demand. The wholesale markets close up to one hour in advance of delivery, leaving National Grid ESO a period of time in which to instruct flexible plant to either increase or reduce their planned output in order to create a balanced system at the time of delivery. These instructions are predominantly procured through the balancing mechanism, where registered participants provide their expected generation/consumption and the price they require in order to deviate from this position. National Grid ESO may instruct such deviations in order to ensure sufficient generation/consumption capacity is in place to prevent an imbalance from occurring, which could lead to a fault.

In addition to balancing services, National Grid ESO also procures constraint management services. The transmission network is subject to a number of constraints which need to be managed by National Grid ESO. A common constraint is in relation to the movement of electricity generated in Scotland down to England. Scotland has high generation capacity but relatively little demand, however the transmission cables are capacity-limited, and it is therefore not always possible to move this electricity to the areas of high demand. In this instance, whilst the whole system may appear balanced, National Grid ESO must take actions to ensure that sufficient electricity is able to reach the areas of demand. Other operability issues such as voltage control and system stability are also included in this category. Through its Network Options Assessment programme, National Grid ESO is designing various market products to cater for these requirements, in some cases providing opportunities for assets to bid for long-term (i.e. up to 10 years) availability contracts. However these product structures can be very location-specific and there is no standardised pricing available. Therefore the Company's current revenue strategy assumes such opportunities will not be captured by the Projects. However, the Projects are

located across a wide and diverse range of regions across GB and the Investment Adviser will continue to monitor development of this doctrine by National Grid ESO and seek to participate where and when it is deemed value accretive to do so.

(b) Response

To date, battery energy storage assets have focussed on Response contracts with National Grid ESO to generate most of their income. The key response services today are Dynamic Containment ("**DC**") and Firm Frequency Response ("**FFR**").

Until October 2020, FFR was the primary frequency response service procured by National Grid ESO. FFR has formed the basis for most battery energy storage revenues in recent years. Procurement is generally on a month-ahead, pay-as-bid basis. National Grid ESO also runs a weekly auction which is awarded on a pay-as-clear basis. Contracts are "availability" contracts which pay assets to be available to provide the relevant service, regardless of whether the asset is actually utilised. FFR typically places low demands on the battery with significantly lower throughput than is warranted by Tesla. This type of usage is low-impact for Lithium Ion batteries and, if a battery is used only in this manner, the project life would be expected to extend beyond the warranted period.

DC was launched in October 2020 and is the first in a suite of three new frequency response services, with the remaining services (Dynamic Moderation and Dynamic Regulation) expected to launch in Q1 2022. The three services together will eventually replace FFR.

DC has greater technical requirements than FFR in relation to speed of response, metering and data logging. However utilisation is lower than under FFR, and can therefore further extend the life of battery projects if DC is the primary revenue source. The service remains under supplied, which has led to high availability payments of £17/MWh, more than double the average FFR price prior to the launch of DC. Following a consultation, National Grid ESO has recently amended the auction structure for DC, switching from a pay-as-bid, day-ahead basis to a pay-as-clear, 4-hour block basis.

(c) Reserve

Most Reserve capacity is currently procured by National Grid ESO from large gas plant, rather than a formal tender process for a pre-defined service product. In 2020, National Grid ESO conducted three trials to test the economics and efficiencies of contracting more reserve from batteries. Post-successful trials, National Grid ESO is proposing two new balancing services: "Quick Reserve" ("**QR**") and "Slow Reserve" ("**SR**") from March 2022. It is expected these services will be procured on a day-ahead basis and that participants will receive availability payments in a similar manner to the procurement of response services. Titles, structure and number of new services remain under consultation.

(d) Saturation Risk

As explained above, balancing services potentially offer high pricing and low impact utilisation, two clear benefits to BESS Projects. National Grid ESO has also stated that it expects its capacity requirements for these services to grow as larger single projects (such as interconnectors and nuclear plants) are built, and the proportionate penetration of Renewables continues to grow.

However the total capacity requirement is finite at any point in time and relatively shallow compared to the wholesale markets and/or BM (see below). Therefore there is a logical risk that the attractive market signals encourage an over-build of new battery energy storage (or other qualifying technology) leading to an oversupply of capacity in excess of the service demand and this should, theoretically, negatively impact the pricing. The speed and timing of this potential risk becoming reality is difficult to predict, but the past four years have seen rapid growth in the deployment of battery energy storage, growing from c. 360MW in Q1 2018 to around 1.2 GW operating today. A further 2.5 GW is expected to come online by 2025, versus an estimated 4 GW of combined balancing services demand requirement. It is therefore possible that installed capacity of battery exceeds the combined balancing services requirement by the mid/late 2020s.

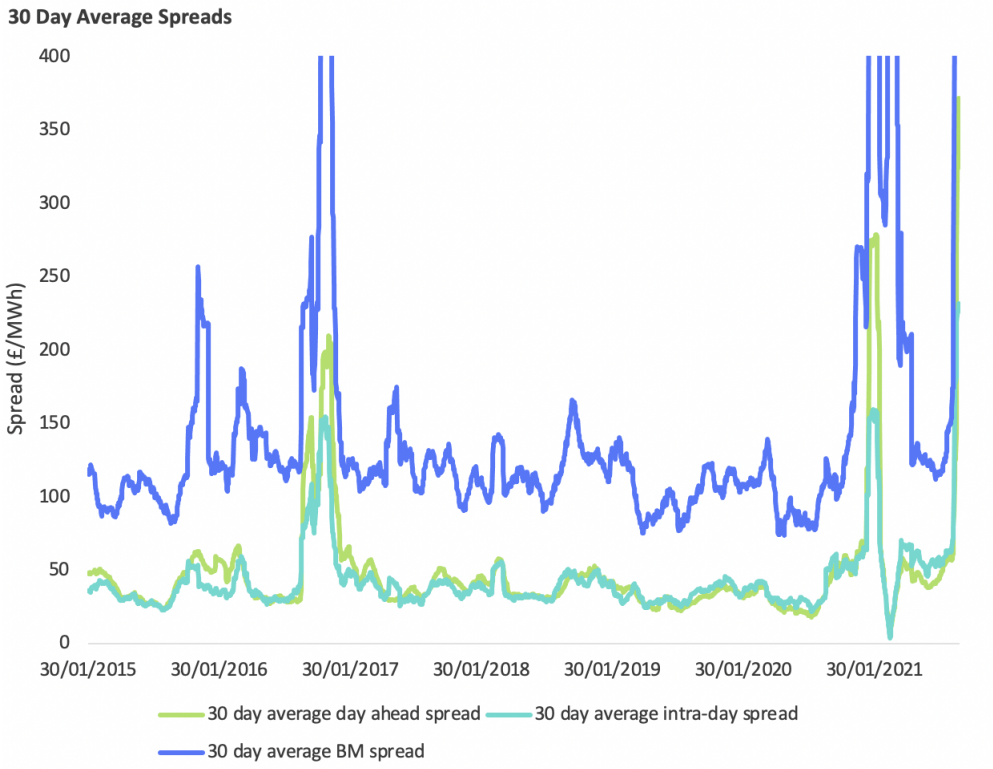
1.4 ***Balancing Mechanism***

The Balancing Mechanism ("**BM**") is one of the tools National Grid ESO uses to balance electricity supply and demand close to real time. The BM is used to manage system constraints, procure reserve and balance the supply and demand of energy in real time.

BM participants have traditionally been a relatively small number of large generation assets. There have been a number of developments over the past two years to reduce the cost and administration of participation from smaller units – a programme referred to as "Wider Access to the BM". National Grid ESO has also increased the level of automation within the control room to improve decision making and efficiency of dispatch instructions – a move specifically targeting the dispatch of smaller units such as battery energy storage. National Grid ESO expect the number of active participants to increase from several hundred in 2020 to several thousand by 2025.

The BM was a £1 billion market in 2020 and is at the heart of the Company's revenue strategy. Assets active in BM are required to submit technical capabilities such as response time as well as pricing to National Grid ESO for its consideration when selecting assets to dispatch. The wholesale markets are price driven and therefore the technical capabilities are not typically taken into account. For flexible assets such as batteries, the BM consistently demonstrates higher spreads than the wholesale market.

The chart below shows the 30-day rolling average spread for the day ahead and intra-day wholesale markets compared to the spread which could be achieved in the balancing mechanism. In each case, spread is calculated by comparing the weighted average price in the cheapest settlement period (the day is broken down into 48 settlement periods of 30 minutes duration), against the weighted average price in the most expensive settlement period. The BM consistently offers wider spreads than can be achieved in the wholesale markets.



Source: Harmony Energy Advisors research based on data from Day Ahead – N2EX, Intra-Day – Elexon Market Index Price, BM – Elexon BMRS

1.5 ***Wholesale Markets***

Wholesale markets are expected to become a more important part of the revenue mix for battery storage as renewable penetration increases. Renewables have a near zero marginal running cost, and currently often benefit from government subsidies which reward the generation of electricity regardless of the market price. When renewable output exceeds demand, it is possible for the wholesale price to

be negative as Renewables continue to generate up to the value of their subsidy. In these circumstances, a battery is capable of being paid to consume energy (i.e. to charge). This phenomenon is becoming more common. During 2020, 17 days had at least one period of negative pricing on the day ahead market, up from 1 day in 2019 and 0 days prior to this. The Intra-Day market has also seen an increase in the frequency of negative pricing, with 46 days in 2020, up from 11 in 2019.

As the installed capacity of Renewables increases, Renewables set the wholesale market price for generation more frequently and at such a low level that traditional thermal generators are unable to compete due to their fuel costs. This reduces load factors for such thermal generators and means that when Renewable generation is low (or lower than expected), thermal generators must start-up from cold. The marginal cost of thermal generation is increased in this scenario due to poorer efficiency, so they seek higher pricing to compensate, driving up the electricity price in these periods.

This combined effect creates opportunities for battery energy storage which could benefit from more frequent periods of cheap (or negative) import power, coupled with more periods of expensive export power. GB has recently experienced this phenomenon during the first two weeks of September 2021. 92 per cent. of 30-minute settlement periods during this time saw wind generating at less than 25 per cent. of the annual maximum. With GB now more reliant on wind than in previous years, the impact of this low output was exacerbated and opportunistic generators (including batteries) were therefore able to demand high prices for their power – breaking all-time pricing records in both the wholesale markets and the BM.

Furthermore, it is likely that events such as these will span several hours, enhancing the business case for longer-duration storage.

1.6 ***The Impact of Duration***

Batteries with a duration of 30 minutes or more can provide FFR and DC services, and pricing is expressed in £ per MW per hour. The quantum of revenue generated via participation in these services is therefore not influenced (positively or negatively) by the duration capacity of the battery technology.

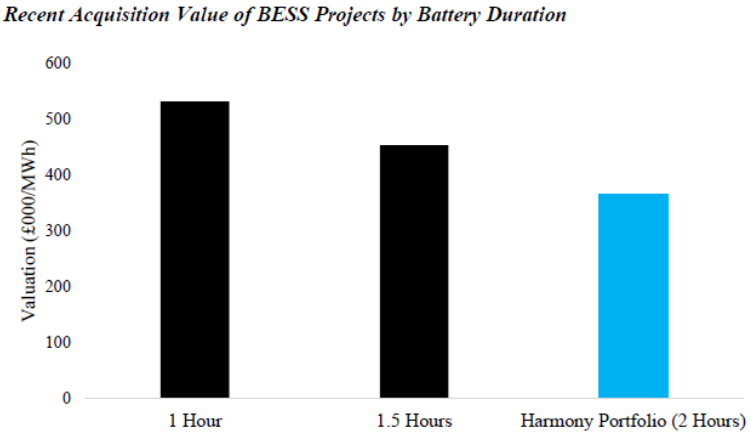
This is contrary to the wholesale markets and/or BM, where revenues are denominated in £/MWh, meaning that a 2-hr duration battery energy storage project operating in these markets has the potential to achieve higher quantum of revenue than a similar project with a shorter duration capability. Indeed, 2 to 2.5-hrs is the optimal duration for operation in wholesale / BM markets.

Pursuant to the Pillswood Tesla Contracts and Framework Agreement, all BESS Projects within the Seed Portfolio (and the Advanced Project) will utilise Tesla Megapack technology (or a future evolution of such technology), which is 2-hr duration. The Company maintains discretion in relation to the Pipeline Portfolio, but the current expectation is that these Projects will also utilise Tesla 2-hr duration equipment. The majority of current operating battery energy storage plant in GB is 0.75-1.25 hrs in duration. In the Investment Adviser's opinion, the historic preference for c. 1-hr duration battery energy storage equipment is due partly to equipment availability – 1-hr duration has traditionally been the standard specification for most manufacturers/suppliers – and also market participants have, to date, placed a heavy reliance upon balancing services, which do not require longer duration. A 2-hr duration system can still compete for balancing services contracts but is expected by the Investment Adviser to also outperform a 1-hr system in wholesale market / BM markets. Since the latter markets are deeper and less prone to saturation risk, in the Investment Adviser's view a 2-hr duration system therefore represents an effective hedge against market evolution over the longer term.

1.7 ***Relative Cost and Value of 2-hr versus 1-hr Duration***

The chart below shows the average price paid for recent comparable battery storage projects with different duration batteries (the "**Comparable Projects**"), based on recent public announcements. Values are expressed as £/MWh, to allow a comparison of value compared to the valuation of each Seed Project (and the Advanced Project). Whilst it should be noted that the Comparable Projects were acquired at commissioning, the Investment Adviser believes that there is a clear cost benefit to acquiring longer duration batteries. Based on the average price for the Comparable Projects as set out in the chart below, each MWh of storage capacity in a 1.5-hr system is worth approximately 15 per cent. less than a MWh of storage capacity for a 1-hr system. The Seed Portfolio is comprised of 2-hr

duration batteries and each MWh is being acquired at 19 per cent. less than the consideration for the 1.5 hr Comparable Projects:



Source: Harmony Energy Advisors research

Whilst additional duration is not currently valued in the ancillary services market, it is expected that over the medium to long-term income will also be derived from operating in the BM and/or wholesale markets, where additional duration translates to higher revenue. Analysis by Modo suggests that 2 hour batteries show the highest value in wholesale markets when considering the ratio of capex to revenue.

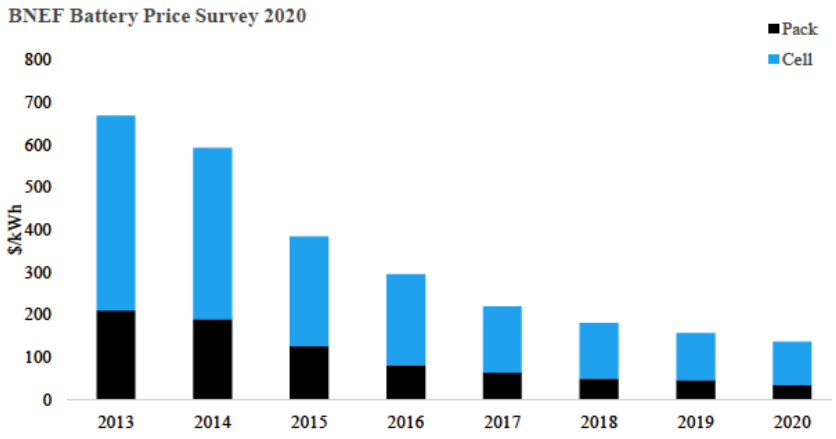
1.8 *Capacity Market*

The Capacity Market ("**CM**") was introduced to provide National Grid ESO with a level of certainty regarding generation capacity which will be available four years into the future. Capacity Market contracts pay holders an availability fee. In return contract holders commit to provide generation capacity for up to four hours in a stress event. To reflect this four hour requirement, the storage capacity of less than four hours is de-rated to ensure a fair competition with other technologies. 2-hr duration batteries benefit from a more benign de-rating factor compared to shorter duration batteries, almost doubling revenue from this market in the case of a 2-hr versus a 1-hr battery project.

New-build projects can benefit from up to 15 year contracts, index linked to RPI. Existing projects may only secure one year contracts and must bid every year for a new contract. Based on historical auction results, CM revenue is expected to form only a small part of a batteries expected revenue stack.

1.9 *Battery Prices*

Battery pricing has declined by almost 40 per cent. since 2017 and whilst the downward trend is expected to continue, the rate of decline is slowing. The rapid decline in battery pricing over recent years has enabled a viable business case for utility scale battery energy storage in the UK. In the opinion of the Investment Adviser, future reduction is expected to flow through to land-owners and project developers rather than improving returns to investors. Projects being constructed now will benefit from reduced battery pricing as cells are replaced in future years.



Source: Harmony Energy Advisors research based on data from Bloomberg NEF

1.10 ***Investor Appetite***

Deployment of battery energy storage has grown exponentially since 2017, as the technology and construction processes has become increasingly understood, revenue strategies have developed and equipment prices have dropped. Recent activity by institutional equity and debt investors also denotes growing confidence in the asset class. The rate of deployment of battery storage projects is subject to the availability of capital and the ability and speed of National Grid and DNOs to upgrade grid infrastructure to accommodate and connect additional import/export capacity onto the GB network. In the Investment Adviser's opinion, there is greater value in projects with accepted grid connection agreements with the ability to build and connect in the near-term (such as the Seed Projects, which are all due to connect by end 2023).

1.11 ***Company Revenue Strategy***

The day-to-day strategy of the BESS Projects will be determined by the Revenue Optimiser. However, each Project Company has the ability to agree and influence the overarching optimisation strategy for each Project, and such strategy is subject to regular review. The Investment Adviser will use its experience and ongoing analysis of relevant markets and trends to collaborate efficiently and effectively with the Revenue Optimiser with the view to achieving optimum cost/revenue balance.

It is the expectation of the Investment Adviser that, post-construction and commissioning, the BESS Projects will bid for and fulfil balancing services contracts to the extent possible and for so long as pricing for such contracts are attractive relative to other markets. The Investment Adviser believes that balancing services will continue to be the dominant revenue source for BESS Projects until at least 2024. However, as time passes and market arbitrage becomes more significant in an environment of more volatile prices caused by the intermittence of renewables, the annual revenue mix of the BESS Projects should evolve to depict a growing proportion of wholesale/BM activity, coupled with Capacity Market income.

1.12 ***Re-Powering***

Batteries degrade over time, and eventually reach their end of life – i.e. the point at which they can no longer be used for their intended purpose. The Seed Portfolio and Advanced Project will benefit from a 15 year warranty from Tesla, which guarantees that the battery cells will not reach end of life during the warranted period (provided certain operational restrictions are observed). It is envisaged that the useful life of the batteries will exceed the warranted period, although this has not been taken into account in financial projections and any extension represents upside to the Company.

The Company will budget for a full replacement of cells at the end of the warranty period, allowing for an additional 15 years of operations (i.e. a total operating period of 30 years). Whilst no further extensions have been modelled by the Investment Adviser at this stage, with prudent asset management in relation to leases, and planning permission, it may be possible to extend the operations of projects beyond the 30 year modelled period, which would represent further upside to the Company.

2. Investment Opportunity

The Company intends to take advantage of the significant and growing market opportunity for flexible generation assets by investing in energy storage and complementary renewable energy generation assets, with an initial focus on a diversified portfolio of utility-scale battery energy storage projects located in diverse locations across Great Britain.

The Directors believe that an investment in the Company offers the following attractive characteristics:

Attractive dividend yield and project returns

The Company is targeting an attractive dividend yield of 8 per cent. per annum (by reference to the Issue Price) from 2023, increasing from 2 per cent. payable in the first year following Admission. However, by investing predominantly in Shovel Ready Projects, the Company will seek to maximise opportunity for potential risk-adjusted capital value growth and it is expected by the Investment Adviser that the Company will benefit from a future fair value uplift to reflect the change in development status of each Project from Shovel Ready to Operating. Once the Net Proceeds from the Initial Issue have been fully invested and the Projects are constructed and commissioned, the target unlevered net asset value total return for the Projects is 10 per cent. per cent. per annum over the medium to long-term.

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

Experienced developer with proven track record of delivering battery storage projects through construction process

As detailed in Part 1 (*The Company*), Harmony Energy has a significant and current track record and experience in developing and delivering renewable energy generation projects and more recently battery energy storage projects. Harmony Energy has worked with Tesla since 2016. Harmony Energy engaged Tesla as supplier and EPC contractor in relation to their first and second projects, Holes Bay in Dorset (7.5 MW / 15 MWh) and Contego (34 MW / 68 MWh). Harmony Energy has also recently announced the commencement of work at the 99 MW / 198 MWh Clay Tye site using a system of Tesla Megapack lithium-ion batteries, together with Tesla's Autobidder AI software for real-time trading and control- the biggest project of its kind under construction in the UK in terms of energy capacity.

All battery energy storage projects developed and delivered by Harmony Energy to date utilise Tesla battery cells and equipment, and Harmony Energy (either themselves, on behalf of or in collaboration with third party investors) have contracted (or are currently contracting) with Tesla in relation to EPC, O&M and Revenue Optimisation in every case.

Investment Adviser with experience of revenue optimisation

As detailed in Part 1 (*The Company*), the Investment Adviser has relevant experience in revenue optimisation and a high degree of understanding of relevant revenues available to battery energy storage, how a battery energy storage project might maximise returns in such landscape and how a Revenue Optimiser (such as Tesla, via its Autobidder platform) should and/or could perform at the highest level in relation to revenue optimisation services supplied to the BESS Projects.

Significant secure pipeline of projects

With investment activity in this sector accelerating over recent months (see the *Market Background* section above), an investment in the Company represents a rare opportunity to acquire and grow a large-scale portfolio with a short-term delivery programme.

Harmony Energy currently owns 100 per cent. of the Seed Portfolio and will also own (100 per cent., or together with RBE) the Project Companies in respect of the Exclusivity Pipeline. In addition to this Harmony Energy intends to continue sourcing and developing battery energy storage projects and will also develop

other renewable generation projects (both on a stand-alone basis and also on a co-location basis), both of which will form part of the Extended Pipeline.

The Seed Portfolio will be acquired by the Company upon Admission and the Pipeline Sellers will grant the Company preferential rights to acquire (at its discretion) not only the Exclusivity Projects but also the Extended Pipeline (see further details in Part 3 of this Prospectus). In the opinion of the Directors, this will ensure a steady supply of potential project pipeline for the Company to invest in over the long term. However, the Company maintains discretion and the Investment Adviser is free to source other projects from third party sources as alternative options for the Company to consider, provided such projects comply with the Company's investment policy.

The target Net Proceeds of the Initial Issue would be sufficient to acquire, construct and commission the Seed Projects and the Advanced Project (312.5 MW / 625 MWh in aggregate). The acquisition and construction of the remainder of the Exclusivity Projects (and Extended Pipeline) will require more capital than the target for the Initial Issue. Therefore, it is the intention of the Company to raise additional funds at the appropriate time in order to acquire the additional Exclusivity Projects and Extended Pipeline Projects, as well as further pipeline projects which may be identified by the Investment Adviser from time to time. The Investment Adviser wishes to create, on the Company's behalf, a market-leading portfolio of Projects in Great Britain, which it believes will provide significant economies of scale in terms of the management and operation of the Company's Portfolio.

Fixed valuation of Seed Projects and Advanced Project

The acquisition price in relation to Seed Projects and Advanced Project is calculated in each case from a modelled total fixed funding requirement of £750,000 per MW, supported by the Valuation Opinion Letter. See Part 3 (Seed Portfolio and Exclusivity Pipeline) of this Prospectus for further detail.

By fixing the £750,000 per MW funding requirement within the Project budget underpinned by the Framework Agreement, Harmony Energy bears the risk of any costs overrun in relation to a Project, such that the amount of Cash Consideration payable by the Company to Harmony Energy in relation to each Seed Project varies depending upon the amount of contracted and anticipated costs.

In the case of the Seed Projects other than the Pillswood Project, whilst the majority of the costs are fixed, including battery hardware, switchgear and transformers, there may be a variation in costs which are not fixed such as cement and wiring, which typically represent approximately 15 per cent. of a Project's costs. Contingency has been built into the Project budgets in respect of those variable costs, however in the event those costs are higher than anticipated, the Cash Consideration payable will be reduced accordingly. As such an aggregate 24.7 per cent. of the Cash Consideration in respect of the Seed Portfolio shall be Deferred Consideration which will only be payable by the Company once the final EPC contract fixing those costs has been signed by the relevant Project Company. In the case of the Advanced Project, the final EPC contract will be entered into pursuant to the Framework Agreement as a condition to acquisition of the Advanced Project by the Company. The valuation of the Seed Project and Advanced Project (on a per MWh basis) is attractive when compared to recent publicly-announced acquisitions of Operating BESS Projects by other market participants, as further detailed in respect of Comparable Projects in the *Market Background* section of this Prospectus.

Tesla – world-leading delivery partner and technology

Tesla is a "tier 1" experienced supplier and contractor who, as at September 2021, has supplied more than 6GWh of operational stationary battery energy storage systems in more than 50 countries globally.

The Pillswood Project is Under Construction, and key terms in relation to pricing and delivery timetable are set out in the Full Wrap EPC contained in the Pillswood Tesla Contracts. In relation to the balance of the Seed Portfolio and the Advanced Project, the Framework Agreement sets contractual terms including BESS equipment pricing, equipment delivery timetable and construction timetable. Price volatility and equipment supply risks are therefore mitigated in relation to the Seed Portfolio and the Advanced Project, in between the date of acquisition and commencement of operations.

All Seed Projects have planning approval for the installation of Tesla battery energy storage systems. The Tesla Megapack is a 2-hr duration system, which increases the number of MWh which can be utilised in both the wholesale markets and the BM, therefore providing greater revenue potential in these markets

when compared to a shorter-duration system. In the event that revenues in the balancing services markets become unattractive compared to wholesale/BM markets, the revenue strategy of the BESS Projects will adjust to focus more on the latter and the 2-hr duration capability will provide a competitive advantage over the more common, 1 to 1.5-hr projects operating in these markets.

Harmony Energy Alignment

In order to demonstrate long-term alignment with Shareholders, Harmony Energy has elected to receive an element of consideration in relation to the acquisition of each Seed Project and Exclusivity Project in the form of Consideration Shares. The value of such Consideration Shares is calculated as the lesser of 15 per cent. of (i) the fixed funding requirement of £750,000 per MW and (ii) the fixed funding requirement of £750,000 per MW less the construction costs of the Project and Deferred Consideration for each Seed Project, as 15 per cent. of the fixed funding requirement of £750,000 per MW for the Advanced Project, and as 15 per cent. of the valuation of each Pipeline Project. Further details of the Consideration Shares are set out in Part 3 (*Seed Portfolio and Exclusivity Pipeline*) of this Prospectus.

Harmony Energy has entered into the Lock-up and Orderly Market Deed for a five year period in relation to all such Shares. Further details of the lock-up arrangements are set out in paragraph 8.9 of Part 9 (*General Information*) of this Prospectus. In addition, senior management of Harmony Energy and their associates will subscribe for 2,500,000 Ordinary Shares under the Initial Placing and Offer for Subscription.

The consideration for any Extended Pipeline Project acquired by the Company will be agreed with Harmony Energy or the Pipeline Sellers on an arm's-length basis in respect of each Extended Pipeline Project acquired.

Tesla – alignment of interests as preferred supplier of both BESS performance warranty and Revenue Optimiser

Under the Pillswood Tesla Contracts (in relation to the Pillswood Project) and the Framework Agreement (in relation to the other Seed Projects and the Advanced Project, as described in Part 3 of this Prospectus) Tesla will not only be responsible for the supply, installation and maintenance of each relevant BESS Project, but Tesla will also provide a 15 year warranty as to the performance of such BESS Project and will provide revenue optimisation services involving day-to-day control of the charging and discharging profile of the BESS Project and therefore responsibility for maintaining such profile within the defined qualifying parameters of the performance warranty.

The fee payable to Tesla by each relevant Project Company under a revenue optimisation agreement is structured as a percentage of net revenue obtained. Therefore Tesla is both incentivised and best-placed to understand how to operate the BESS Project with a view to maximising revenues without impairing the long-term operating efficiency of the BESS Project. The Pillswood Tesla Contracts and Framework Agreement ensure that each relevant Project Company benefits from robust supervision and control mechanisms vis-à-vis the Revenue Optimiser, and Tesla's engagement as Revenue Optimiser will be on short-term rolling contracts, allowing the termination and replacement of Tesla as supplier for this service without the need to evidence or justify under-performance. The Investment Adviser has an up-to-date understanding of the market for third party revenue optimisation in relation to battery energy storage in GB, and has relationships with multiple competent and experienced alternative service providers. This acts as a mitigant against counterparty risk in relation to this service.

PART 3

SEED PORTFOLIO AND EXCLUSIVITY PIPELINE

1. Introduction

Harmony Energy has developed a number of projects to Shovel Ready status which meet the Company's investment policy. There are five battery energy storage projects comprising the Seed Portfolio, further details of which are set out below. Tesla has agreed, pursuant to the Pillswood Tesla Contracts and the Framework Agreement, to supply and install battery modules for the Seed Projects and will act as EPC contractor in relation to those Projects.

In addition, Harmony Energy is developing additional Projects which it believes will be suitable for battery energy storage, and, over which the Company: (i) has an exclusive right to acquire BESS Projects in Great Britain up to 1 GW (including the capacity of the Seed Portfolio) and (ii) a right of first refusal in respect of all Harmony Energy and RBE's other Projects in Great Britain (together, the "**Pipeline Projects**"). The Advanced Project, being the most advanced Pipeline Project, will also benefit from the Framework Agreement with Tesla (see above). The Pipeline Projects are at various stages of development, with the expectation that these will gain Shovel Ready status in due course. Further details on the Pipeline Projects are set out in paragraphs 4 and 5 below.

2. Seed Portfolio

The Company has, conditional solely on Admission, agreed to acquire the Seed Projects from Harmony Energy for total consideration of £38,455,614, which together with the agreed project costs of £121,669,386, totals £160,125,000. The consideration has been confirmed by an independent valuation, as described in paragraph 3 below. These assets are deemed to comprise the Seed Portfolio for the purposes of this Prospectus. A summary of the Seed Portfolio is set out in the table below:

Site	*Location*	*Type*	*MW/ MWh*	*Current Status*	*Status at acquisition by the Company*
Pillswood Project	Cottingham, East Yorkshire	BESS	98/196	Under Construction	Under Construction
Broadditch Project	Broadditch, Kent	BESS	11/22	Shovel Ready	Shovel Ready
Farnham Project	Farnham, Surrey	BESS	20/40	Shovel Ready	Shovel Ready
Rusholme Project	Rusholme, Greater Manchester	BESS	35/70	Shovel Ready	Shovel Ready
Little Raith Project	Lochgelly, Fife	BESS	49.5/99	Shovel Ready	Shovel Ready
Total:			**213.5 MW/427 MWh**		
Advanced Project:	Buckinghamshire	BESS	99/198	Subject to planning permission	Subject to planning permission
Aggregate Total:			**312.5 MW/624 MWh**		

The Seed Projects represent 213.5 MW / 427 MWh. The Pillswood Project is Under Construction. The balance of Seed Projects are Shovel Ready and will be built and commissioned on a staggered basis, with 100 per cent. of the Seed Portfolio expected to be operational in the second half of 2023.

The Seed Portfolio and the Advanced Project have been independently valued (on the basis that the Advanced Project is the Bumpers Project), details of which are set out in paragraph 3 below and Part 5 (*Valuer's Opinion*).

The Seed Portfolio Companies have not been audited to date, as the Seed Project Companies are entitled to exemption from audit under section 477 of the Act. The Company's Portfolio will be audited going forward. The Seed Portfolio Companies have been subject to independent due diligence on behalf of the Company.

It is expected that the acquisition of the Seed Portfolio will complete immediately after Admission.

Acquisition terms

Harmony Energy's 100 per cent. interest in each of the Seed Project Companies will be acquired by the Company on Admission pursuant to the terms of the Seed Portfolio Share Purchase Agreement, the details of which are summarised in paragraph 8.7 of Part 9 *(General Information)* of this Prospectus. The Seed Portfolio Share Purchase Agreement is conditional upon Admission. On completion of the Seed Portfolio Share Purchase Agreement, the existing Tesla Security granted by (i) Harmony Energy and (ii) the Pillswood Project Companies to secure the Pillswood Project Companies' obligations under the Pillswood Tesla Contracts will be released by Tesla and the Replacement Tesla Security, which is in substantially the same form as the Tesla Security, will be granted over the Pillswood Project Companies and the Pillswood Project by (i) the Company and (ii) the Pillswood Project Companies to secure the Pillswood Project Companies' obligations under the Pillswood Tesla Contracts going forward, as further described in paragraph 8.7 of Part 9 (*General Information*) of this Prospectus.

Consideration

The acquisition price is calculated from a modelled total fixed funding requirement of £750,000 per MW in respect of each Seed Project. This fixed funding requirement is designed to cover (a) all Project capex (under the relevant agreement with Tesla); (b) all regulatory and other third party costs and fees payable in relation to the construction and commissioning of the Project; and (c) the consideration payable to Harmony Energy.

By fixing the £750,000 per MW funding requirement, the amount of consideration payable by the Company to Harmony Energy in relation to each Seed Project (and the Advanced Project) varies depending upon the amount of contracted and anticipated costs, such that in the event the non-fixed costs element is higher than anticipated, the cash consideration payable is reduced by such amount.

In the case of the Seed Projects other than the Pillswood Project, whilst the majority of the costs are fixed, including battery hardware, switchgear and transformers, there may be a variation in costs which are not fixed such as cement and wiring, which typically represent approximately 15 per cent. of a Project's costs. Contingency has been built into the Project budgets in respect of those variable costs, however in the event that those costs are higher than anticipated, the Cash Consideration payable will be reduced accordingly. As such an aggregate 24.7 per cent. of the Cash Consideration in respect of the Seed Portfolio shall be Deferred Consideration which will only be payable by the Company to Harmony Energy once the final EPC contract fixing those costs has been signed by the relevant Project Company. In order to demonstrate long-term alignment with Shareholders, Harmony Energy has elected to receive 15 per cent. of the lesser of the (i) gross funding requirement in respect of each Seed Project and (ii) the gross funding requirement of each Seed Project less the construction costs of the Project and Deferred Consideration in the form of Consideration Shares, to be issued to Harmony Energy on Admission at the Issue Price. Harmony Energy has entered into the Lock-up and Orderly Market Deed in relation to the Consideration Shares, further details of which are set out at paragraph 8.9 of Part 9 (*General Information*) of this Prospectus.

Post-acquisition by the Company of any Seed Portfolio Company or Pipeline Project Company, the Investment Adviser will administer and/or supervise the construction, installation, commissioning and operation of such Project on a day-to-day basis pursuant to the Investment Advisory Agreement.

Seed Portfolio Energy storage systems and supply

Harmony Energy has recently executed a Full Wrap EPC with Tesla for the supply and installation of Tesla Megapack equipment for the Pillswood Project (98 MW / 199 MWh), delivered across two equal phases of 49 MW / 99.5 MWh each pursuant to the Pillswood Tesla Contracts.

At the date of this Prospectus, the Pillswood Project is categorised as Under Construction, whilst the remaining four Seed Projects are Shovel Ready.

In addition to the Full EPC Wrap and in relation to the Pillswood Project, Harmony Energy has also contracted with Tesla for:

(a) The provision by Tesla of regular preventative maintenance of the BESS and ancillary equipment;

(b) Relevant warranties relating to both system availability and retained energy percentages (i.e. degradation) throughout the expected lifecycle of the Project; and

(c) Revenue optimisation services, utilising Tesla's Autobidder software platform,

(together the "**Tesla Services**").

Using the Pillswood Tesla Contracts referred to above as a template, Harmony Energy has executed a legally binding Framework Agreement with Tesla in relation to the provision of a Full EPC Wrap and Tesla Services in respect of (i) the remaining assets within the Seed Portfolio and (ii) the Advanced Project (99 MW / 198 MWh), which will be novated to the Company on completion of the Acquisition. Following novation of the Framework Agreement to the Company, the Company will be obliged to guarantee the Seed Project Companies' obligations under the final Project-specific contracts in respect of the Full EPC Wrap and Tesla Services to be provided by Tesla in respect of the Seed Projects (other than the Pillswood Project) pursuant to the Framework Agreement.

Subject to the payment by HEL of the deposit stipulated by the Framework Agreement in respect of the Seed Portfolio, the Framework Agreement secures relevant dates for delivery by Tesla of relevant equipment as well as target dates for construction completion in relation to each relevant Project. The Framework Agreement also secures the fixed BESS equipment pricing and other key commercial terms for all relevant contracts.

3. Valuation of the Seed Portfolio and Advanced Project

Acquisition value

The Valuer has confirmed that, in its opinion, based on market conditions as at 30 September 2021 and certain assumptions as set out in the Valuation Opinion Letter in Part 5 (*Valuer's Opinion*) of this Prospectus, the Seed Portfolio Aggregate Project Value of £38,455,614 and the valuation of the Advanced Project (on the basis that the Advanced Project is the Bumpers Project) at £17,967,120 fall within a reasonable market range on a fair market value basis.

The fixed project costs of £177,952,266 will be applied to the Seed Projects and the Advanced Project for the construction of those Projects which, once operational, are expected to achieve the values stated below.

Operating value

Once operating, the Valuer has confirmed that increased valuations of £185,000,000 for the Seed Portfolio and £88,000,000 for the Advanced Project (once acquired and operating, and on the basis that it is the Bumpers Project) fall within a reasonable market range on a fair market value basis.

The determination of the discount rate applicable to the Seed Portfolio takes into account various factors, including, but not limited to, the stage reached by each project, the period of operation, the historical track record, the terms of the project agreements and the market conditions in which the assets operate.

4. The Exclusivity Pipeline

Harmony Energy has further agreed to grant the Company exclusive rights to acquire the Exclusivity Pipeline up to 1GW, less the aggregate storage capacity of the Seed Portfolio. The Exclusivity Pipeline is in addition to and separate from the Seed Portfolio. The Exclusivity Pipeline represents BESS Projects located in Great Britain, which are either owned by a member of the Harmony Group or jointly owned by a member of the Harmony Group and RBE, a related party of Harmony Energy.

The most advanced Exclusivity Project (the Advanced Project, with storage capacity of 99 MW / 198 MWh) is expected to achieve Shovel Ready status in late 2021, and therefore be capable of acquisition by

Company (subject to satisfactory due diligence) shortly thereafter, and is included in the Valuation Opinion Letter in Part 5 (*Valuer's Opinion*) of this Prospectus (on the basis that the Advanced Project is the Bumpers Project). As a result of the Advanced Project benefitting from a contracted Full-Wrap EPC and Tesla Services pursuant to the Framework Agreement, the Company has agreed to fix the valuation in relation to this Project at £750,000 per MW (if the Company chooses to acquire it) in the same way as the Seed Projects. The Advanced Project is the only Exclusivity Project which falls within the scope of the Framework Agreement. The remaining Exclusivity Projects are at various stages of development with the expectation that these will gain Shovel Ready status in due course.

The Exclusivity Projects have not yet been acquired by the Company, and there can be no guarantee that the Company will conclude its negotiations in respect of those Exclusivity Projects and/or acquire any of them, as any acquisition of an Exclusivity Project remains subject to completion of adequate due diligence and a sale and purchase agreement on suitable terms.

Acquisition terms

In the event that the Company decides to acquire one or more Exclusivity Projects, the Company anticipates that it will acquire such Exclusivity Project or Exclusivity Projects on substantially the same terms as are set out in the Pro Forma Share Purchase Agreement, which is appended to the Pipeline Agreement (each a "**Pipeline Project Share Purchase Agreement**"). The details of the Pipeline Agreement and Pro Forma Share Purchase Agreement are summarised in paragraph 8.8 of Part 9 *(General Information)* of this Prospectus. It is intended that signing and completion of each Pipeline Project Share Purchase Agreement will be simultaneous.

Consideration

The consideration for the Exclusivity Projects (other than the Advanced Project, the consideration for which is structured in the same way as the Seed Projects) will be calculated by reference to the net present value of each Exclusivity Project applying a 10 per cent. discount rate to the forecast cashflows from that Exclusivity Project ("**Project NPV**"). Harmony Energy or the Pipeline Sellers (as the case may be) will receive 15 per cent. of the Project NPV of each Exclusivity Project (other than the Advanced Project, which (subject to planning, due diligence and signing of a final EPC contract pursuant to the Framework Agreement) would be acquired on the basis of the same fixed funding requirement as the Seed Projects) in the form of Consideration Shares, to be issued to Harmony Energy or the Pipeline Sellers (as the case may be) at the higher of (i) the most recent published NAV per Ordinary Share or (ii) the average of the last ten Business Days' closing price per Ordinary Share at the date of the relevant Pipeline Project Share Purchase Agreement ("**Relevant Share Price**"), such that if the Relevant Share Price represents a discount to NAV, the Consideration Shares shall be issued at NAV. The balance of the Project NPV, after deduction of the value of the Consideration Shares and the cost of completing the Project will represent the cash consideration payable in respect of such Exclusivity Project. It is expected that £11,137,500 of the consideration for the Advanced Project will be paid to Harmony Energy in the form of Consideration Shares on the above basis.

Due diligence will be conducted on each Exclusivity Project prior to its acquisition (including consideration of a Project Recommendation and Due Diligence Pack, as described in the Investment Process) and the acquisition of such Project(s) will be based upon the recommendations of the Investment Adviser to the AIFM and the recommendations of the AIFM to the Board. For the avoidance of doubt, the Company is not obliged to acquire any Exclusivity Project on any terms, or at all, and the Board will determine the acquisition of future Projects, based on the recommendations of the Investment Adviser and the AIFM.

5. The Extended Pipeline

Harmony Energy and RBE have further agreed, pursuant to the Pipeline Agreement, to grant the Company a right of first offer in respect of the Extended Pipeline, in addition to and separate from the Seed Portfolio and Exclusivity Pipeline. Unlike the Seed Portfolio and the Exclusivity Pipeline, the Extended Pipeline may include solar PV generation projects co-located with BESS or stand-alone solar projects located in Great Britain, as well as BESS Projects.

Acquisition terms

The terms of any Subsequent Acquisition of an Extended Pipeline Project will be negotiated between the Company and Harmony Energy (acting on behalf of itself or the Pipeline Sellers, as the case may be) on an

arm's length basis at the time of such Subsequent Acquisition, including as to consideration (see below). Completion of Subsequent Acquisition shall take place as soon as practicable and in any event prior to the date falling 60 Business Days after the date of the ROFO Notice (as defined below), during which period the Company shall have the opportunity to complete due diligence and source appropriate funding for the Extended Pipeline Project.

Consideration

The Company (acting on the recommendation of the AIFM) shall have 10 Business Days following the date of a Pipeline Shovel Ready Notice in respect of an Extended Pipeline Project to serve notice on Harmony Energy (acting on behalf of itself or the Pipeline Sellers, as the case may be) of its indicative intention, subject only to due diligence, funding and board approval, offering to purchase such Extended Pipeline for such consideration as it considers appropriate (a "**ROFO Notice**").

Harmony Energy (acting on behalf of itself or the Pipeline Sellers, as the case may be) shall then have a further 10 Business Days following receipt of a ROFO Notice to serve notice on the Company of its acceptance of (i) its intention to sell such Extended Pipeline Project to the Company for the consideration set out in the ROFO Notice, or its intention not to sell such Extended Pipeline Project at such price, whereupon Harmony Energy or the Pipeline Sellers (as the case may be) will be entitled to sell the relevant Extended Pipeline Project to a third party buyer.

6. Financing the Acquisition and Subsequent Acquisitions

The target Net Proceeds from the Initial Issue are intended to be used to acquire and construct the Seed Portfolio and the Advanced Project. It is the intention of the Company to raise additional capital to acquire and construct some or all of the Pipeline Projects as appropriate, through a further issue of Shares under the Placing Programme or, subsequently via a fresh issue of Shares.

However, the Company may also consider utilising leverage in accordance with the Company's investment policy. In the event that the Minimum Gross Proceeds are raised, the Company intends to acquire and construct all of the Seed Projects and may seek alternative funding to acquire the Advanced Project. The Initial Issue is conditional on the Minimum Gross Proceeds being raised, and if the Minimum Gross Proceeds are not raised, the Initial Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA.

Where Pipeline Projects are owned by Harmony Energy and persons affiliated with Harmony Energy, the conflicts of interest protocols and Conflicts Policy set out in paragraph 4 of Part 4 (*Directors, Management and Administration*) of this Prospectus shall apply.

PART 4

DIRECTORS, MANAGEMENT AND ADMINISTRATION

1. The Board

The Board is responsible for the determination of the Company's investment policy and strategy and has overall responsibility for the Company's activities including the review of investment activity and performance. The Board will also make the decision to acquire or dispose of Projects, based on recommendations made by the AIFM acting upon advice given by the Investment Adviser.

The Board comprises five directors, all of whom are non-executive, and are independent of the AIFM, Harmony Energy, the Investment Adviser and the Company's other service providers.

The Board will meet at least four times a year, *inter alia*, to review and assess the Company's investment policy and strategy, the risk profile of the Company, the Company's investment performance, the performance of the Company's service providers, including the AIFM and the Investment Adviser, and generally to supervise the conduct of its affairs, with additional meetings arranged as necessary.

The Directors are as follows:

Norman Crighton – Chairman

Norman Crighton is an experienced public company director who has been at the helm of 6 different companies. Presently, Norman holds the positions of Non-Executive Chairman at Weiss Korea Opportunity Fund Ltd., Non-Executive Chairman at RM Infrastructure Income plc, and Non-Executive Chairman for AVI Japan Opportunity Trust Plc. He is also a director of Universal Umvelt Ltd.

Norman has extensive fund experience having previously been the Head of Closed-end Funds at Jefferies and Investment Manager at Metage Capital Ltd. leveraging his 31 years of experience in closed-ended funds. More recently, he has held the positions of Independent Non-Executive Director at Global Fixed Income Realisation Ltd, Non-Executive Chairman at Secured Income Fund Plc and Non-Executive Director at Private Equity Investor. Norman also holds a master's degree from The University of Exeter in Finance and Investment.

Janine Freeman – Non-Executive Director

Janine Freeman is an experienced, senior energy industry executive and non-executive director. She currently holds the role of Group Director at Accident Exchange Ltd, a PE backed vehicle logistics business, where she is leading the development of a new focus on electric vehicles. Janine is also currently Non-Executive Chairwoman at Public Power Solutions, a company which supports UK public bodies to develop decarbonisation solutions for transport, power and heat. Prior to this Janine spent three years as a Director at PwC within the Deals team, where she led on Net Zero Investment Strategy & Deals. Janine has extensive experience of developing grid scale battery assets from her time as an executive board member of UK Power Reserve where she led the development of the investment case for 120MW of grid scale batteries.

At National Grid plc where Janine spent 16 years, she was a member of the UK Executive Committee and System Operator Executive Committee as Director of Corporate Affairs. She has also worked as an independent adviser on clean technology M&A to investment funds. Janine achieved her Chartered Accountancy qualification (ACA) at Deloitte & Touche, where she worked within both the audit and restructuring departments. She also has a degree from Oxford University in Mathematics.

Hugh McNeal – Non-Executive Director

Hugh McNeal has extensive industry experience in the renewable energy sector. Hugh has held the position of Non-Executive Director at Offshore Renewable Energy Catapult since 2016 and also sits on the Innovation Board of Aker Solutions, which delivers integrated products and services to the global energy industry. Prior to this Hugh was Chief Executive of RenewableUK, the UK's leading not for profit renewable energy trade association from April 2016 until May 2021. His previous roles also include Director of Change at the Department of Energy & Climate Change, Chief Executive for the Office for Renewable Energy Deployment at DECC, and Deputy Director of Low Carbon Business at the Department for Business, Innovation & Skills.

Hugh was educated at the London School of Economics where he received a Batchelor's degree in International Relations and continued his studies at Harvard University where he was awarded a master's in History and a PhD in International History.

William ("Willy") Rickett – Non-Executive Director

Willy Rickett is currently Chairman of Cambridge Economic Policy Associates Ltd, having previously worked as a civil servant for some 35 years. His UK Government career included 15 years of Board level experience within five government departments, including energy, transport and the Cabinet Office. In the late 1980s he led the privatisation of the electricity industry, creating the world's first competitive electricity market. As Director General of Energy from 2006 to 2009, Willy led the transformation of UK energy policy, focusing on accelerating the deployment of renewable energy and re-establishing the option of nuclear power. He also served as Chairman of the Governing Board of the International Energy Agency.

Willy is Senior Independent Director of Greencoat UK Wind plc and was previously a director of Impax Environmental Markets plc, Eggborough Power Ltd, Helius Energy plc, the Smart Data Communications Company and the National Renewable Energy Centre Ltd. He is also the Deputy Chairman of the Advisory Board of the Energy Policy Research Group at Cambridge University, where he previously obtained a degree in Natural Sciences and was made a Companion of the Order of the Bath in the 2010 New Year's Honours list.

Shefaly Yogendra – Non-Executive Director

Shefaly Yogendra is an experienced public company director and currently holds the position of Chair of the Nomination Committee for Temple Bar Investment Trust, an LSE-listed value fund. She has held the role of Non-Executive Director at this fund since 2019. Shefaly also acts as Chair of the Remuneration Committee for the LSE-listed JP Morgan US Smaller Companies Investment Trust and has served as a Non-Executive Director on the Board for over 5 years. Shefaly has been a member of the London Metropolitan University since 2017 and currently serves as Chair of the Audit and Risk Committee and Vice-Chair of the governing body.

Shefaly holds a PhD in Decision-Making and a master's in Technology Policy from the University of Cambridge, an MBA from IIM-Ahmedabad, and a bachelor's degree in Electronics and Communications Engineering from the University of Lucknow.

2. Corporate Governance

Corporate Governance Framework

The Disclosure Guidance and Transparency Rules require the Company to: (i) make a corporate governance statement in its annual report and accounts based on the code to which it is subject, or with which it voluntarily complies; and (ii) describe its internal control and risk management arrangements. The Board has considered the principles and provisions of the AIC Code.

The AIC Code addresses the principles and provisions set out in the Corporate Governance Code, as well as setting out additional principles and provisions on issues that are of specific relevance to listed investment companies. The Board considers that reporting against the principles and recommendations of the AIC Code will provide better information to Shareholders. As a recently incorporated company, the Company does not yet comply with the Corporate Governance Code or the principles of good governance contained in the AIC Code. However, the Company intends to join the AIC as soon as practicable following Admission, and arrangements have been put in place so that, with effect from Admission, the Company will comply with the AIC Code (save as indicated below) which complements the Corporate Governance Code and provides a framework of best practice for listed investment companies.

The Corporate Governance Code includes provisions relating to:

- the role of the chief executive;
- executive directors' remuneration; and
- the need for an internal audit function.

It is acknowledged in the Corporate Governance Code that some of its provisions may not be relevant to externally managed investment companies (such as the Company). The Board does not consider that the above provisions are relevant to the Company. The Company will therefore not comply with these provisions. The AIC Code also includes a provision relating to the appointment of a senior independent director. After considering the Company's particular characteristics, objectives and board structure, the Board has determined that the appointment of a senior independent director is not necessary or desirable to promote the open, equal and shareholder-facing board dynamic that the Board believes it can achieve as a wholly non-executive board.

Audit and Risk Committee

The Company's Audit and Risk Committee consists of all of the Directors and is chaired by Janine Freeman. The Audit and Risk Committee will meet at least three times a year. The Board considers that the members of the Audit and Risk Committee have the requisite skills and experience to fulfil the responsibilities of the Audit and Risk Committee. The Audit and Risk Committee will examine the effectiveness of the Company's risk management and internal control systems. It will review the interim and annual reports and also receive information from the AIFM and the Investment Adviser. It will also review the scope, results, cost effectiveness, independence and objectivity of the external auditor.

Management Engagement Committee

In accordance with the AIC Code, the Company has established a Management Engagement Committee which consists of all of the Directors and is chaired by Hugh McNeal. The Management Engagement Committee will meet at least once a year or more often if required. Its principal duties will be to (i) consider the terms of appointment of the AIFM, the Investment Adviser and other service providers; (ii) annually review those appointments and the terms of engagement; and (iii) monitor, evaluate and hold to account the performance of the AIFM, the Investment Adviser, the other service providers and their key personnel.

Remuneration and Nomination Committee

The Company's Remuneration and Nomination Committee consists of all of the Directors and is chaired by William Rickett. The Remuneration and Nomination Committee will meet at least once a year or more often if required. The Remuneration and Nomination Committee's main functions include: (i) agreeing the policy for the remuneration of the Directors and reviewing any proposed changes to the policy; (ii) reviewing and considering ad hoc payment to the Directors in relation to duties undertaken over and above normal business; (iii) appointing independent professional remuneration advice; and (iv) advising the Board on succession planning bearing in mind the balance of skills, knowledge and experience existing on the Board and will make recommendations to the Board in this regard. All appointments to the Board will be made in a formal and transparent matter.

ESG Committee

The Company's ESG Committee consists of all of the Directors and is chaired by Shefaly Yogendra. The ESG Committee will meet at least once a year or more often if required. The ESG Committee's main function is to represent the Board in defining the Company's strategy relating to ESG matters, and in reviewing the practices and initiatives of the Company relating to ESG matters, ensuring they remain effective and up-to-date. ESG matters include (i) the Company's impact on the environment and its response to the challenge of climate change; (ii) the engagement of the Company with the Investment Adviser and other service providers, other stakeholders, and the communities in which it operates; and (iii) the ethical conduct of the activities of the Company and the Investment Adviser and other service providers, including the Company's corporate governance framework, business ethics, policies, and codes of conduct.

Board ESG Initiative

The Board is highly focused on ESG as an essential part of the Company's offering and will seek to offer best-in-class reporting and accountability from key stakeholders and to create new initiatives to help drive the Company's approach to ESG. A first such initiative is the intention to create a Company ESG Fund as described below.

In addition to the Company's broader ESG policy, the Board intends to set up a Company ESG Fund to support various Environmental and Social initiatives within the investment trust and battery storage industries.

For example, this may include the mentoring and training of young people, from diverse backgrounds, in the battery storage, renewables and investment trust industries, as well as the City of London, to promote a broader pool of talent across the investment trust sub-sector. On Admission, assuming the Target Gross Proceeds are raised, the total fees payable to the Directors will be approximately 0.1 per cent. of the Net Asset Value of the Company. As the Company grows, the proportion of running costs which the fixed fees payable to the Directors represents will fall commensurately. It is the intention of the Board that the difference between that lower fixed amount that the Board fees represent and 0.1 per cent. will form the Company ESG Fund. By way of example, should the Company's Net Asset Value reach £500 million, the fees payable to the Board will represent approximately 0.04 per cent. of the Company's Net Asset Value, resulting in approximately 0.06 per cent. being available for the Company's ESG Fund. The ESG Fund will, however, be capped at a maximum of £250,000 per annum. The Company will publish further information on the ESG Fund initiatives as part of its ESG reporting.

Directors' Share Dealings

The Directors will comply with the share dealing code adopted by the Company in accordance with MAR in relation to their dealings in Ordinary Shares. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with the share dealing code by the Directors.

3. Management of the Company

3.1 ***AIFM***

The Company has appointed JTC Global AIFM Solutions Limited as the Company's alternative investment fund manager (the "**AIFM**"). The AIFM will act as the alternative investment fund manager of the Company for the purposes of the UK AIFM Regime. The AIFM provides certain services in relation to the Company and its portfolio, which include risk management and portfolio management, based on advice from the Investment Adviser, in accordance with the Company's investment policy.

The AIFM is a limited liability company incorporated in Guernsey on Monday, 9 January, 2017 under The Companies (Guernsey) Law, 2008, as amended, with company number 62964. The AIFM is licensed by the GFSC under the provisions of the Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended, to conduct certain restricted activities in relation to collective investment schemes. The registered office of the AIFM is Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT and its telephone number is +44 (0)1481 702400.

The AIFM will work closely with the Investment Adviser in implementing appropriate risk measurement and management standards and procedures. The AIFM will ensure compliance with the applicable requirements of the UK AIFM Regime. The AIFM is legally and operationally independent of the Company and the Investment Adviser.

The AIFM's duties under the AIFM Agreement include complying with the Company's investment policy and keeping the Company's assets under review. The AIFM is required to provide all such risk management services to the Company as are required by the EU AIFM Directive and the UK AIFM Regime including (i) the implementation of adequate risk management systems to identify, measure, manage and monitor appropriately all risks relevant to the Company's investment strategy and to which the Company is or may be exposed, (ii) ensuring that the risks associated with each investment position of the Company and their overall effect upon the Company's portfolio can be properly identified, measured, managed and monitored on an ongoing basis, including through the use of appropriate stress testing procedures, (iii) advising the Board on the establishment and adjustment of quantitative and qualitative risk limits for the Company, taking into account all relevant risks and (iv) reviewing the risk management systems at least annually and adapting them where necessary. The AIFM also provides guidance to the Company on its compliance with the requirements of the EU AIFM Directive and the UK AIFM Regime that apply in respect of marketing of the Shares of the Company in the UK and the EEA.

At all times the AIFM shall retain sufficient facilities, personnel, experience and expertise necessary to fulfil its obligations under the AIFM Agreement. The AIFM will, at all times, have regard to its obligations to the Company and under the GFSC's Rules in relation to the identification, management and disclosure of conflicts of interest.

Under the AIFM Agreement, the AIFM receives from the Company a fee charged at the annual rate of 0.03 per cent. of the Company's equity capital raised (the "**Basic Fee**"), such Basic Fee being payable quarterly in arrears and subject to a minimum annual fee of £30,000. Subsequent secondary issues of shares of the Company in the primary market will be supported on a time spent basis, subject to a cap of £10,000 per each such issue. Other significant non-routine work not specified in this AIFM Agreement as being covered by the basic Fee may be charged for on a time spent basis.

Details of the AIFM Agreement are set out in paragraph 8.1 of Part 9 of this Prospectus.

3.2 ***Investment Adviser***

The Company and the AIFM have appointed the Investment Adviser to provide certain expert services to both the AIFM and the Company pursuant to the Investment Advisory Agreement, a summary of which is set out at paragraph 8.2 of Part 9 of this Prospectus.

Under the terms of the Investment Advisory Agreement dated 14 October 2021 between (1) the Investment Adviser, (2) the Company and (3) the AIFM, the Investment Adviser will provide certain (i) investment advisory services to the AIFM, copied to the Company ("**Investment Advisory Services**"); and (ii) certain other services to the Company which are unrelated to investment advice, including development and day-to-day operation of the Projects ("**Asset Services**").

The Investment Advisory Services will include: (a) advising the AIFM on the Company's investments in accordance with the Company's investment objective, investment policy and investment restrictions and ESG policy, including making recommendations based on its expert opinion to the AIFM in respect of the purchase, sale or disposal of the Company's investments and arranging the purchase and sale of such investments in accordance with the AIFM's directions; (b) assisting in the preparation of periodic NAV calculations as provided for in this Prospectus and (c) preparing quarterly reports to be provided to the AIFM and the Board, including pursuant to the Company's ESG policy and any applicable KPIs pursuant to the Company's ESG policy from time to time and assisting the AIFM in respect of quarterly reporting to the Company's board of directors.

The Asset Services will include: (a) advising upon and facilitating the engagement by one or more Project Companies of independent third party suppliers and contractors to provide services ancillary to the construction, commissioning and ongoing management of the Projects; (b) certain project management and supervision services; (c) certain community and stakeholder services; (d) monitoring the policy and regulatory landscape for the battery energy storage sector and interacting with National Grid ESO; (e) certain services in relation to permits, approvals and compliance; (f) certain OH&S and ESG services; and (g) certain technical and monitoring services.

The Investment Adviser is entitled to a fee of (a) one twelfth of 0.9 per cent. per calendar month of the lesser of the (i) NAV or (ii) Average Market Capitalisation of the Company (both as defined in at paragraph 8.2 of Part 9 of this Prospectus) up to the threshold of £250,000,000 and (b) one twelfth of 0.8 per cent. per calendar month of the lesser of the (i) NAV or (ii) Average Market Capitalisation of the Company in excess of £250,000,000.

The AIFM has appointed the Investment Adviser for an initial period of two years and thereafter the Investment Advisory Agreement is terminable on six months' notice by the Company and twelve months' notice by the Investment Adviser (or on immediate notice in certain customary circumstances).

The Investment Adviser, Harmony Energy Advisors Limited, was incorporated in England and Wales on 29 July 2021 with registered number 13538492 as a private company limited by shares under the Act. The Investment Adviser has an indefinite life. The principal legislation under which the Investment Adviser operates is the Act. The Investment Adviser is domiciled in England and Wales. The address of the registered office and principal place of business of the Investment Adviser is at Conyngham Hall, Bond End, Knaresborough, North Yorkshire, United Kingdom, HG5 9AY with telephone number +44 1423 799 109.

Details of the Harmony Group (including the Investment Adviser), senior management and their track record are set out in Part 2 (*Market Background and Investment Opportunity*). An application has been made to the FCA for the Investment Adviser to be an Appointed Representative of Laven Advisors

LLP, which is authorised and regulated by the FCA with reference number 447282 ("**Laven**"). In the unlikely event the application is not approved before Initial Admission, the Investment Advisory Agreement will, until such time as the application is so approved, temporarily be novated to Laven and Paul Mason and Max Slade will be seconded to Laven in order to facilitate Laven providing temporary investment advisory services to the AIFM. Laven was incorporated in England and Wales as a limited liability partnership on 4 April 2005 (with registration number OC312558). The registered office of Laven is 11 Old Jewry, London EC2R 8DU, United Kingdom (tel. +44 (0)20 7838 0010).

It is intended that the Investment Adviser will apply for FCA authorisation to conduct investment advisory business following Admission. The Investment Adviser forms part of the Harmony Group and is a wholly owned subsidiary of Harmony Energy. Harmony Energy's website is: www.harmonyenergy.co.uk.

Under the Investment Advisory Agreement, the Investment Adviser may sub-contract its performance of the Asset Services to the Company with the Company's consent (such consent not to be unreasonably withheld or delayed), including to Harmony Energy.

The key members of the Harmony Group's management team are:

Paul Mason (Managing Director of the Investment Adviser)

Paul spent four years at Avis Europe, where he was responsible for price optimisation and data analysis for the UK retail business. After leaving Avis, Paul became a partner at Prime Numbers Infrastructure Finance, a specialist project finance advisory boutique (ex-CIBC) specializing in Energy–from-Waste projects. After working with Max for five years at Long Harbour Ltd, a UK private equity business as a co-Director of the Energy team, he co-founded REMAP Project Solutions, an independent consultancy, in 2018.

Max Slade (Commercial Director of the Investment Adviser)

Max trained as a corporate lawyer at Ashurst LLP in London specialising in M&A and FCA regulation over 8 years. Max then gained commercial and fundraising experience with roles at a family investment office as well as a boutique merchant bank in London before joining Paul at Long Harbour Ltd as co-Director of the Energy team. Over five years at Long Harbour Max and Paul analysed, structured and promoted investments in run-of-river hydro (US), pumped hydro storage and battery energy storage (GB), gaining first-hand battery development experience over 91 MW of BESS projects. Max co-founded REMAP Project Solutions with Paul in 2018.

Peter Kavanagh (CEO of Harmony Energy and Director of the Investment Adviser)

Peter founded Harmony Energy's predecessor company in 2010, and has 15 years' experience in energy sector investment. Prior to founding Harmony Energy, he was a consultant at Pantheon Financial Management for 10 years. Peter has been an early investor in various green tech companies, including Jones Food Company and Ambion Heating. He is a director of Jones Food Company, which owns and operates Europe's largest high care vertical farm and is now majority owned by Ocado Plc.

James Ritchie (Executive Director of Harmony Energy and Director of the Investment Adviser)

James is an entrepreneur with over 10 years' experience in the renewables sector. He is a founder and former CEO of Tekmar plc, a leading provider of technology and services for the global offshore energy markets which protects over 30GW of electrical infrastructure. James was also previously the Chairman of Energi Coast LLP, the North East of England's offshore wind cluster, with over 35 members, and is the CEO of Ritchie Bland Energy Ltd., a private investment company working within the technology, renewables and environmental sectors.

The other key members of the Harmony Energy management team are:

Pete Grogan (Commercial Director of Harmony Energy)

Pete has 15 years' experience in the energy sector, including developing multiple large-scale solar projects in the UK. In 2012 he founded REthink Energy, a renewable energy start-up that transferred legacy projects to Harmony Energy in 2016. Prior to that he was Head of Legal at Azur Solar Systems,

a renewable energy start-up focusing on FiT projects. He is a qualified lawyer and also has an MBA from Cranfield School of Management, with extensive experience advising a broad range of energy businesses, including energy supply company OVO Energy and energy services and international solutions company Centrica plc.

Alex Thornton (Operations Director of Harmony Energy)

Alex is a co-founder of Harmony Energy Storage Limited, with 15 years' experience in the renewable energy sector, including overseeing the build-out of Harmony's first two BESS assets (15MWh and 68MWh) working closely with Tesla (EPC), UKPN (DNO) and local stakeholders to deliver the projects. He has completed civil, mechanical and electrical installation of over 300 renewable energy projects and also co-founded WindCare, a renewable energy contractor and Sancus Utilities, a balance of plant contractor specialising in the design, manufacture and installation of vertical hydroponic farms. He previously worked at Bioflame Limited, an advanced combustion technology company seeking to generate renewable electricity from low-grade waste wood.

Gary Camplejohn (Technical Director of Harmony Energy)

Prior to joining Harmony, Gary was a Commercial Engineer with Northern Powergrid, the owner of Northern Powergrid Limited and Northern Powergrid plc, which are the Distribution Network Operators (DNOs) for the North East England and Yorkshire regions and the North Lincolnshire area. He worked with battery energy storage and renewable energy generation developers on new grid connections throughout Yorkshire and North East England. Gary is an electrical engineer, having spent his early career specialising in military avionic systems in locations around the world, before moving into the energy sector.

3.3 ***Administrator***

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

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

For the provision of fund administration services under the Administration Agreement, the Administrator is entitled to receive an annual fee of £48,000. In respect of its role as company secretary, the Administrator is entitled to receive a Governance and Company Secretarial Services of £45,000 per annum. The Administrator will charge a one-off fee of £30,000 for pre-IPO support. The Company will also reimburse the Administrator for disbursements and reasonable out of pocket expenses properly incurred by the Administrator on behalf of the Company, provided that the Administrator will be required to seek prior approval in relation to any single expense in excess of £200. All fees charged by the Administrator are charged exclusive of VAT. All annual fees charged by the Administrator will be subject to an annual increase by reference to the U.K. Retail Price Index annually, commencing on the first anniversary of Admission.

Details of the Administration Agreement are set out in paragraph 8.3 of Part 9 *(General Information)* of this Prospectus.

3.4 ***Registrar and Receiving Agent***

Computershare Investor Services PLC has been appointed as the Registrar to the Company under the Registrar Agreement. Computershare Investor Services PLC has been appointed Receiving Agent of the Company for the Initial Issue under the terms of the Receiving Agent Agreement. A summary of each of the Registrar Agreement and the Receiving Agent Agreement is set out in paragraphs 8.5 and 8.6 of Part 9 *(General Information)* of this Prospectus.

The fees payable to the Registrar are based on the number of transactions in the Shares plus properly incurred expenses, subject to an annual fee of £4,080. The Receiving Agent is entitled to a project fee from the Company of £5,000 (exclusive of VAT) in connection with these services together with a form processing fee based on the number of applications received pursuant to the Offer for Subscription.

4. Conflicts of Interest

4.1 The Investment Adviser has agreed not to provide services similar to the Investment Advisory Services or the Asset Services to any third party without the consent of the AIFM and the Company, as applicable, in accordance with the terms of the Investment Advisory Agreement, as further described in paragraph 8.2 of Part 9 (*General Information*) of this Prospectus.

Each of Harmony Energy (on behalf of itself and the Harmony Group) and RBE has also agreed not to provide services similar to the Investment Advisory Services or the Asset Services to any third party in respect of any Projects located in Great Britain without the consent of the Company, subject to certain exclusions in respect of their obligations pursuant to (i) pre-existing contractual arrangements in respect of Non-Pipeline Projects, (ii) any Pipeline Projects in respect of which the exclusivity period has expired in accordance with the terms of the Pipeline Agreement without the relevant Project Company being acquired by the Company in accordance with the terms of the Pipeline Agreement, and (iii) any battery energy storage projects or renewable energy generation projects located outside Great Britain, as further described in paragraph 8.8 of Part 9 (*General Information*) of this Prospectus.

4.2 Since the Shares to be issued pursuant to the Initial Issue and Placing Programme will be admitted to trading on the Specialist Fund Segment, the Company will not be required to comply with, in particular, Chapter 11 of the Listing Rules regarding related party transactions. While the Company will adopt a related party policy (in relation to which Berenberg as financial adviser, will guide the Company) (details of which are set out in the *Voluntary Compliance with the Listing Rules* section of this Prospectus), it is not proposed that the Company will seek Shareholder approval in respect of each non-ordinary course transaction that would constitute a related party transaction. In addition, it is not proposed that the Company's related party policy would apply to acquisitions of Projects from Harmony Energy or the Pipeline Sellers, subject to these being:

- in accordance with the Company's investment objective and policy; and
- in accordance with the Investment Process which is described in paragraph 5 below, which includes independent due diligence on behalf of the Company and is subject to Board approval.

4.3 The Company has identified and sought to mitigate key conflicts of interest between the Company and the Harmony Group and/or RBE, with regard to:

(a) the terms on which Projects are acquired by the Company pursuant to the Seed Portfolio Share Purchase Agreement and the Pipeline Agreement; and

(b) the potential for Harmony Energy to develop and/or seek funding for (via a disposal, joint venture or otherwise) battery energy storage and/or renewable generation projects on behalf of (or in collaboration with) third party investors other than the Company.

The conflicts of interest arise in relation to this issue because:

- the initial Acquisition of the Seed Portfolio will be from Harmony Energy itself;
- subsequent Acquisitions of Exclusivity Projects are intended to be acquired from Harmony Energy or the Pipeline Sellers;
- there may also be Subsequent Acquisitions of Extended Pipeline Projects from Harmony Energy and/or RBE, on arm's-length terms which have yet to be agreed between the parties; and
- the Investment Adviser is a wholly owned subsidiary of Harmony Energy.

The Company intends to mitigate these potential conflicts in the following ways:

(a) by entering into the Pipeline Agreement with Harmony Energy. By virtue of this agreement:

- the Company will benefit from an exclusive right of first refusal from Harmony Energy (and, to the extent applicable, RBE) in relation to the Exclusivity Projects, up to an aggregate of 1GW of BESS Projects (inclusive of the Seed Projects) in Great Britain, subject to a pre-agreed valuation methodology which is detailed therein;
- the Company will also benefit from an exclusive priority right to make an offer to acquire each Extended Pipeline Project, although neither Harmony Energy nor RBE is obliged to accept any offer so made; and
- an agreed form Pro Forma Share Purchase Agreement is appended to the Pipeline Agreement, and the parties agree to utilise this Pro Forma Share Purchase Agreement in relation to any acquisition by the Company of Exclusivity Projects. The Pro Forma Share Purchase Agreement contains arm's length market standard project warranties for projects of this size and type (subject to typical financial caps and time limits for making any claim);

(b) prior to any acquisition of Exclusivity Projects or Extended Pipeline Projects, the Company will have the opportunity to consider a pre-agreed package of due diligence materials, comprising the Project Recommendation and Due Diligence Pack (as described in paragraph 5 below (*Investment Process*)), which will be independently reviewed by the Company's legal and other relevant advisers prior to any acquisition and subject to Board approval;

(c) the AIFM is not obliged to recommend to the Directors, and the Directors are not obliged accept, either the proposed valuation or the recommendation of the Investment Adviser in relation to any potential Project, and any acquisition is subject to Board approval at its ultimate discretion; and

(d) under the terms of the Investment Advisory Agreement, the Investment Adviser has agreed not to provide similar services to any third party without the consent of the Company.

See further detail on the Pipeline Agreement and the Investment Advisory Agreement in Part 9 (*General Information*) of this Prospectus.

Conflict Policy

The above specific risk mitigants are incorporated into the Company's policy addressing the conflicts of interest described above. This policy is set out below:

(i) the Investment Adviser's investment committee will comprise of Paul Mason and Max Slade, who will review and make expert recommendations in respect of all potential acquisitions on behalf of the Company and will not form part of the Harmony Energy team preparing Pipeline Projects for offer to the Company in accordance with the Investment Process;

(ii) the Company will procure an independent valuation opinion on the value of the relevant Project(s), to be obtained from the Independent Valuer, together with an independent technical reports on the relevant Project(s) to confirm that they meet the relevant criteria for Shovel Ready status;

(iii) the Company will follow the Investment Process, including procuring a Project Recommendation and Due Diligence Pack from the Investment Adviser and other relevant professional advisers (including such independent valuation and independent technical report) on which the Company can place reliance and which will be independently reviewed on behalf of the Company;

(iv) in making investment recommendations, the AIFM will operate its own risk management system and internal control system as well as monitoring the conduct of the Investment Process; and

(v) where the Investment Adviser has identified an actual or potential conflict of interest in relation to the services that it provides to the Company, it shall inform the Company of the existence of such conflict and take reasonable steps, acting in compliance with applicable law and regulation, to ensure fair treatment of the Company; and

(vi) the AIFM is not obliged to recommend to the Directors, and the Directors are not obliged accept, either the proposed valuation or the recommendation of the Investment Adviser in relation to any potential Project, and an investment in a Project in which the Investment Adviser or any member of the Harmony Group has an interest may not complete without the Board having approved the final terms of the acquisition in its ultimate discretion.

Subject always to the FCA Rules, the Investment Adviser will not, and will procure that its affiliates will not, deal, as principal or agent for a third party, with the Company except where dealings are carried out on normal commercial terms negotiated at an arm's length basis.

5. Investment Process

The Investment Adviser will be responsible for selecting, sourcing and managing the investment process for new acquisitions, initially through assessing the suitability and consistency with the Company's investment policy of the (i) Exclusivity Projects and (ii) Extended Pipeline Projects as they become Shovel Ready, in accordance with the terms of the Pipeline Agreement, which shall be recommended to the Company in accordance with the steps outlined below.

Following acquisition of a Project by the Company, the Investment Adviser will be responsible for further development of the Projects through construction and commissioning, as well as the day-to-day operation of the Projects. The Investment Adviser may also sub-contract specific services to Harmony Energy to ensure fulfilment of these responsibilities. In addition, the Investment Adviser may advise upon and facilitate the engagement by one or more Project Companies of independent third party suppliers and contractors to provide services ancillary to the construction, commissioning and ongoing management of the Projects.

The Company will benefit from an exclusive right of first refusal from Harmony Energy (and, to the extent applicable, RBE) in relation to the Exclusivity Projects, up to an aggregate of 1GW of BESS Projects (inclusive of the Seed Projects) pursuant to the Pipeline Agreement. The valuation of the Exclusivity Projects will be subject to a pre-determined formula set out in the Pipeline Agreement, and any acquisition of an Exclusivity Project will be subject to completion of satisfactory due diligence, compliance with the Company's investment policy and independent valuation.

The consideration payable by the Company to Harmony Energy in relation to any of the Seed Projects and/or the Exclusivity Projects will be partly paid in cash and partly paid in (i) Ordinary Shares issued on Admission in relation to Seed Projects or (ii) Ordinary Shares issued at the time of any Subsequent Acquisition of an Exclusivity Project, as further described in Part 3 (*Seed Portfolio and Pipeline*).

In addition, Harmony Energy (and, to the extent applicable, RBE) also undertakes to invite the Company to make an offer to Harmony Energy for Extended Pipeline Projects which it develops in priority to third party investors, such offer to be made promptly from the time when any such pipeline asset achieves Shovel Ready status (the "**Extended Pipeline ROFO**"). The valuation of assets offered to the Company under the Extended Pipeline ROFO will be negotiated on arm's length terms and any acquisition will be subject to completion of satisfactory due diligence, compliance with the Company's investment policy and independent valuation.

The following investment process shall be followed in respect of any such investment by the Company:

(i) Harmony Energy (acting on behalf of itself or the Pipeline Sellers, as the case may be) shall give notice to the Company when each Pipeline Project is Shovel Ready in accordance with the Company's investment policy (each a "**Pipeline Shovel Ready Notice**");

(ii) in the case of Exclusivity Projects, such Pipeline Shovel Ready Notice shall be accompanied by the following package of information:

  (A) the name of the Exclusivity Project and Exclusivity Project Company;

  (B) an independent valuation opinion in respect of the Exclusivity Project by the Valuer, prepared on substantially the same basis as the valuation provided by the Valuer in the Valuation Opinion Letter;

  (C) an independent technical adviser's review of the Exclusivity Project performed for the benefit of the Company;

  (D) a certificate of title prepared by Harmony Energy's solicitors in respect of the Exclusivity Project, together with a summary review by an independent legal adviser on behalf of the Company; and

  (E) the capacity (in MW) and Pipeline Company Acquisition Consideration for that Exclusivity Project,

all of which shall be summarised in a report to the AIFM, copied to the Company, and independently reviewed by the Company's legal and other relevant advisers prior to any acquisition, which is subject to Board approval (the "**Project Recommendation and Due Diligence Pack**");

(iii) in the case of Extended Pipeline Projects, such notice shall be accompanied by:

(A) the name of the Extended Pipeline Project and Extended Pipeline Project Company;

(B) the capacity (in MW) for that Extended Pipeline Project; and

(C) confirmation that a Project Recommendation and Due Diligence Pack will be made available to the Company if it serves a ROFO Notice (as defined below) in respect of such Extended Pipeline Project subject to valuation, due diligence, funding and board approval;

(iv) in respect of an Exclusivity Project, the Company (acting on the recommendation of the AIFM, which shall also schedule a meeting of the Board to consider such recommendation (a "**Pipeline Shovel Ready Notice Board Meeting**")) shall have 10 Business Days following the date of the relevant Pipeline Shovel Ready Notice to serve notice on Harmony Energy (acting on behalf of itself or the Pipeline Sellers, as the case may be) of either:

(A) its intention to purchase such Exclusivity Project for the Pipeline Company Acquisition Consideration (an "**Exclusivity Project Purchase Notice**"); or

(B) its intention not to purchase such Exclusivity Project (which shall be without prejudice to its rights in respect of any Pipeline Projects in respect of which a Pipeline Shovel Ready Notice has not been served), whereupon Harmony Energy or the Pipeline Sellers (as the case may be) will be entitled to sell all or part of the relevant Exclusivity Project Company to a third party buyer, provided that such sale is completed (i) no more than six months after the date of the relevant Pipeline Shovel Ready Notice and (ii) for a price not lower than the Pipeline Company Acquisition Consideration (*pro rata* to the percentage of such Exclusivity Project Company sold);

(v) in respect of an Extended Pipeline Project, the Company (acting on the recommendation of the AIFM, which shall also schedule a Pipeline Shovel Ready Notice Board Meeting) shall have 10 Business Days following the date of the relevant Pipeline Shovel Ready Notice to:

(A) seek a recommendation from the Investment Adviser (acting on behalf of the AIFM) as to a reasonable indicative Pipeline Company Acquisition Consideration, having due regard to contemporary market activity and pricing, the Company's investment policy and target returns, and the Company's investment restrictions; and

(B) serve notice on Harmony Energy (acting on behalf of itself or the Pipeline Sellers, as the case may be) of either:

(a) the Company's indicative intention, subject only to valuation, due diligence, funding and board approval, to purchase such Extended Pipeline Project for the Pipeline Company Acquisition Consideration that it specifies (a "**ROFO Notice**"). The ROFO Notice may specify whether the Company requires a Project Recommendation and Due Diligence Pack in respect of such Extended Pipeline Project; or

(b) the Company's intention not to purchase such Extended Pipeline (which shall be without prejudice to its rights in respect of any Extended Pipeline Projects in respect of which a Pipeline Shovel Ready Notice has not been served);

(vi) Upon service of a Exclusivity Project Purchase Notice, the Company shall be bound to purchase, and Harmony Energy or the Pipeline Sellers (as the case may be) shall be bound to sell, the relevant Exclusivity Project for the Pipeline Company Acquisition Consideration on the terms of the Pro Forma Share Purchase Agreement (or such other terms as the Company and HEL or the Pipeline Sellers (as the case may be) may agree in writing) and subject to the disclosure letter contemplated by the Pro Forma Share Purchase Agreement (including specific disclosures appropriate to the relevant Pipeline Project Company), within 60 Business Days after the date of the Exclusivity Project Purchase Notice, during which period the Company shall have the opportunity to complete due diligence and source appropriate funding for the Exclusivity Project;

(vii) upon service of a ROFO Notice, Harmony Energy (acting on behalf of itself or the Pipeline Sellers, as the case may be) shall have 10 Business Days to serve notice on the Company of:

(A) its intention to sell such Extended Pipeline Project Company to the Company for the relevant Pipeline Company Acquisition Consideration stated in the relevant ROFO Notice; or

(B) its intention not to sell such Extended Pipeline Project Company to the Company (a "**ROFO Rejection Notice**"), whereupon Harmony Energy or the Pipeline Sellers (as the case may be) will be entitled to sell all or part of the relevant Extended Pipeline Project Company to a third party buyer, provided that for a period of six months from the date of the ROFO Rejection Notice Harmony Energy will be restricted from completing such sale for less than the Pipeline Company Acquisition Consideration offered by the Company in the relevant ROFO Notice (*pro rata* to the percentage of such Extended Pipeline Project Company sold);

(viii) completion of any sale and purchase of an Extended Pipeline Project Company shall take place as soon as practicable and in any event prior to the date falling 60 Business Days after the date of the ROFO Notice for the Pipeline Company Acquisition Consideration stated in the relevant ROFO Notice on such terms as the Company and HEL or the Pipeline Sellers (as the case may be) shall agree in writing, during which time the Company, with the support of the Investment Adviser (acting on behalf of the AIFM) shall:

(A) be provided with a Project Recommendation and Due Diligence Pack; and

(B) have the opportunity to complete due diligence and source appropriate funding for the Exclusivity Project;

(ix) in each case the Investment Adviser (acting on behalf of the AIFM) will ensure that the Company and the vendors of the relevant Pipeline Projects (being Harmony Energy or the Pipeline Sellers) are separately legally advised; and

(x) an investment in a Project in which the Investment Adviser or any member of the Harmony Group has an interest, may not complete without the Board having approved the final terms of the acquisition.

All third party costs to be incurred by each relevant Project Company from the point of acquisition by the Company (including, but not limited to pre-construction studies, fulfilment of pre-construction planning conditions, planning amendment applications to accommodate final equipment designs, generating licence and/or other regulatory licence applications) are to be presented to the Board by the Investment Adviser for approval prior to acquisition of such Project Company.

6. Fees and Expenses

Formation and initial expenses

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

The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue will not exceed two per cent. of the cash proceeds of the Initial Issue, equivalent to £4.6 million assuming Gross Proceeds of £230 million. The costs will be deducted from the Gross Proceeds and it is expected that the starting Net Asset Value per Ordinary Share will be 98 pence. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue.

Placing Programme Expenses

The costs and expenses of the Company relating to the Placing Programme are those that arise from, or are incidental to, the issue of Shares pursuant to Subsequent Placings. These expenses include the fees payable in relation to each subsequent Admission, including admission fees, as well as fees and commissions due under the Placing Agreement and any other applicable expenses in relation to the Placing Programme. The costs and expenses of any Subsequent Placing will not exceed 2 per cent. of the gross

proceeds of the relevant Subsequent Placing and will be borne by the holders of the Ordinary Shares or C Shares (as the case may be) as outlined below.

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

Ongoing annual expenses

The Company will also incur ongoing annual expenses which will include fees paid to the Investment Adviser and other service providers as described above in addition to other expenses. In aggregate, ongoing annual expenses are currently expected to amount to approximately 1.3 per cent. of Net Asset Value per annum (excluding all costs associated with making and realising investments) once the Company is fully invested and assuming the Target Gross Proceeds are raised under the Initial Placing and Offer for Subscription.

PART 5

VALUER'S OPINION

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15 October 2021

Dear Sirs,

Valuation Opinion Letter in relation to the Seed Portfolio and Advanced Project

We are writing to provide to Harmony Energy Income Trust plc (the "Company") our opinion as to whether the valuations provided for the Seed Portfolio and Advanced Project, both as defined in and described on page 77 of the prospectus issued by the Company (the "Prospectus") fall within a reasonable market range on a fair market value basis. The scope of work undertaken was as set out in our engagement letter signed on 20 September 2021 (the "Engagement Letter") and is subject to the terms contained therein.

Purpose

The valuation of the Seed Portfolio and Advanced Project has been provided in connection with the admission of the Company's shares to trading on the Specialist Fund Segment of the Main Market of London Stock Exchange plc.

In providing our opinion, we are not making any recommendations to any person regarding the Prospectus in whole or in part and are not expressing an opinion on the terms of the acquisition of the Seed Portfolio and Advanced Project or of any investment in the Company.

Responsibility

Save for any responsibility we may have to those persons to whom this letter is expressly addressed and save for any responsibility arising under item 5.3.2R(2)(f) (in conjunction with item 5.3.9) of the Prospectus Regulation Rules of the Financial Conduct Authority (the "Prospectus Regulation Rules") to any person as to and to the extent therein provided and to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this Opinion Letter.

Basis of valuation and key valuation assumptions

This Opinion Letter sets out our opinion on a fair market value basis in connection with the Seed Portfolio and Advanced Project assuming a willing buyer and a willing seller, dealing at arm's length and with equal information.

Our opinion is based on economic, market and other conditions in effect, and other information made available to us, as of 30 September 2021 (the "Valuation Date"). It should be understood that subsequent developments may affect our views and that we do not have any obligation to update, revise or reaffirm the views expressed in this letter. Specifically, it is understood that the our opinion may change as a consequence of changes to market conditions as liquidity, interest rates, credit spread and the prospects of the battery storage sector in general, or prospects of the Seed Portfolio and Advanced Project in particular. It is important to note that we have not considered any such changes between the Valuation Date and the date of this letter.

In providing this opinion, we have relied upon public information and on historic financial, contractual and other information provided by the Investment Adviser for which the Investment Adviser is wholly responsible.

The valuation has been determined using discounted cash flow methodology, whereby the estimated future cash flows accruing to and attributable to the Seed Portfolio and the Advanced Project have been discounted to the Valuation Date using discount rates reflective of the risks associated with these projects and the time value of money. There is no one precise applicable discount rate but rather a range. In determining the appropriate discount rates applicable to the Seed Portfolio and Advanced Project, we took into account various factors, including, but not limited to, the risk profile of the underlying portfolio.

The valuation relies on a revenue forecast provided by the Investment Adviser, informed by third party market advisor input that we have seen. We note, however, that the actual revenue received by the Seed Portfolio and Advanced Project may be materially higher or lower than this forecast and the valuation is sensitive to the revenue forecast assumptions. This risk is common in the UK battery storage market and reflected in discount rates typically seen in this market.

In relation to the Advanced Project, our opinion is based on the premise that the Advanced Project has achieved planning (as we understand that this is a pre-requisite for its acquisition by the Company) and therefore has a similar risk profile to the Seed Portfolio. This valuation is therefore a prospective valuation based on current market conditions but subject to these Advanced Project milestones being met, and for the avoidance of doubt we express no view as to whether these milestones will be met. The valuation of the Advanced Project as at the Valuation Date factoring in remaining development risk would be lower than the valuation shown in the Prospectus.

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

- The financial model provided by the Investment Adviser is logically accurate and accurately reflects all material underlying project contracts
- the tax treatment applied in the model for each project is in accordance with the applicable tax legislation and does not materially understate the future liability of the Project entity to pay tax
- the accounting policies applied in the model for each Project are in accordance with the relevant Generally Accepted Accounting Principles
- there are no material disputes with parties contracting directly or indirectly with each project nor any going concern issues, nor performance issues in regard to the contracting parties, nor any other contingent liabilities, which as at the Valuation Date are expected to give rise to a material adverse effect on the future cash flows of the projects as set out in the financial model provided to us

We have written representations from the Investment Adviser regarding the validity of the above assumptions and that they have taken appropriate professional advice for the purpose of making these representations.

Opinion

While there is clearly a range of possible values for the Seed Portfolio and Advanced Project and no single figure can be described as an "exact" fair market value for such underlying assets, we advise the Company that, based on market conditions as at the Valuation Date and on the basis and assumptions stated above (including in relation to the current status of the Advanced Project), in our opinion the valuation of the Seed Portfolio as shown on page 77 of the Prospectus and the valuation of the Advanced Project as shown on page 77 of the Prospectus falls within a range that can be considered fair and reasonable on a fair market value basis.

Furthermore, we advise the Company that, based on market conditions as at the Valuation Date and on the basis and assumptions stated above (including in relation to the current status of the Advanced Project), in our opinion the expected operating valuation of the Seed Portfolio as shown on page 77 of the Prospectus and the expected operating valuation of the Advanced Project as shown on page 77 of the Prospectus falls within a range that can be considered fair and reasonable on a fair market value basis.

Declaration

For the purpose of Prospectus Regulation 5.3.2R(2)(f), in conjunction with Prospectus Regulation 5.3.9, we are responsible for this letter as part of the Prospectus and declare that to the best of our knowledge, the information contained in this letter is in accordance with the facts and that this letter makes no omission likely to affect its import. We hereby consent to the inclusion of this letter in the Prospectus. This declaration is contained within the Prospectus in compliance with Item 1.2 of Annex 1 of Prospectus Regulation (EU) No. 2017/1129 and the Commission Delegated Regulation (EU) 2019/980 (as each forms part of "retained EU law" in the United Kingdom as defined in the European Union (Withdrawal) Act 2018).

Yours faithfully
Mazars LLP

PART 6

THE INITIAL ISSUE

1. Introduction

The Initial Issue consists of a placing, an offer for subscription, and an issue of Consideration Shares in accordance with the terms of the Seed Portfolio Share Purchase Agreement, pursuant to which a total of up to 253,483,694 Ordinary Shares in aggregate are being issued at the Issue Price of 100p per Ordinary Share.

Investors will not be charged a fee in addition to their payment of the Issue Price in order to subscribe for Ordinary Shares, as the Issue Expenses will be met out of the proceeds of the Initial Issue. The Issue Expenses are therefore an indirect charge to investors.

The Initial Issue constitutes the initial opportunity to purchase Ordinary Shares in the Company. The total number of Ordinary Shares to be issued under the Initial Issue will be determined by the Company, Berenberg and Harmony after taking into account demand for the Ordinary Shares and prevailing economic and market conditions.

Pursuant to the Initial Issue, the Company will issue the Consideration Shares to Harmony Energy as part consideration for the Initial Acquisition. These Ordinary Shares would comprise, in aggregate, approximately 9.26 per cent. of Ordinary Shares issued by the Company on Admission, assuming that 253,483,694 Ordinary Shares are issued. Harmony Energy has entered into the Lock-up and Orderly Market Deed. Further information on the terms of the Lock-up and Orderly Market Deed is provided in paragraph 8.9 of Part 9 (*General Information*) of this Prospectus.

The Initial Issue is conditional, *inter alia*, on: (i) Admission having become effective on or before 8.00 a.m. on 9 November 2021 or such later time and/or date as the Company, the Investment Adviser, and Berenberg may agree (being not later than 8.00 a.m. on 30 November 2021); (ii) the Placing Agreement becoming wholly unconditional in respect of the Initial Issue (save as to Admission) and not having been terminated in accordance with its terms at any time prior to Admission; and (iii) the Minimum Gross Proceeds (or such lesser amount as the Company, the Investment Adviser and Berenberg may agree) being raised.

If the Initial Issue does not proceed (due to the Minimum Gross Proceeds (or such lesser amount as the Company, the Investment Adviser and Berenberg may agree) not being raised or otherwise), any monies received under the Initial Issue will be returned without interest at the risk of the applicant to the applicant from whom the money was received, within 14 calendar days.

If the Minimum Gross Proceeds are not raised, the Initial Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company, approved by the FCA and published.

2. The Initial Placing

Berenberg has agreed to use its reasonable endeavours to procure subscribers pursuant to the Initial Placing on the terms and subject to the conditions set out in the Placing Agreement.

The Ordinary Shares are being made available under the Initial Placing at the Issue Price. The terms and conditions that shall apply to any subscription for Ordinary Shares under the Initial Placing are set out in Part 10 of this Prospectus. The latest time and date for receipt of commitments under the Initial Placing is 3.00 p.m. on 4 November 2021 (or such later date, not being later than 30 November 2021, as the Company, the Investment Adviser and Berenberg may agree).

If the Initial Placing is extended, the revised timetable will be notified via a Regulatory Information Service announcement.

Each Placee agrees to be bound by the Articles once the Ordinary Shares that the Placee has agreed to subscribe for pursuant to the Initial Placing have been acquired by the Placee. The contract to subscribe

for the Ordinary Shares under the Initial Placing and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales.

Commitments under the Initial Placing, once made, may not be withdrawn without the consent of the Directors.

3. Offer for Subscription

The Company is making an offer of Ordinary Shares pursuant to the Offer for Subscription at the Issue Price, subject to the terms and conditions of the Offer for Subscription as set out in Part 11 of this Prospectus. These terms and conditions and the Application Form set out at Appendix 1 to this Prospectus should be read carefully before an application is made. Investors should consult their independent financial adviser if they are in any doubt about the contents of this Prospectus or the acquisition of Ordinary Shares.

The Offer for Subscription is being made in the UK, the Channel Islands and the Isle of Man only.

Applications under the Offer for Subscription must be for Ordinary Shares with a minimum subscription amount of £1,000 and thereafter in multiples of £100 or such lesser amount as the Company may determine (at its discretion). Multiple applications will not be accepted. Commitments under the Offer for Subscription once made, may not be withdrawn without the consent of the Directors.

Application Forms where payment is to be made by cheque, should be accompanied by a cheque or banker's draft in Sterling and must be made payable to "CIS PLC re Harmony Energy OFS" for the appropriate sum and must be posted to the Receiving Agent, Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, so as to be received as soon as possible and, in any event, by no later than 11.00 a.m. on 3 November 2021.

Applicants paying by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. on 3 November 2021. Applicants should contact Computershare at Harmonyenergy@computershare.co.uk or by telephoning the helpline on +44 (0)370 703 6003. Computershare will provide applicants with a unique reference number which must be used when making the payment together with the account details where payment should be sent Applicants must ensure that they remit sufficient funds to cover any charges incurred by their bank.

The account name for any electronic payment should be in the name that is given on your Application Form and payments must relate solely to your application. It is recommended that such transfers are actioned within 24 hours of posting your application and be received by no later than 11.00 a.m. on 3 November 2021.

In some cases, as determined by the amount of your investment, the Receiving Agent may need to ask you to submit additional documentation in order to verify your identity and/or the source of funds for the purpose of satisfying its anti-money laundering obligations. If additional document is required in relation to your application, the Receiving Agent will contact you to request the information needed. The Receiving Agent cannot rely on verification provided by any third party including financial intermediaries. Ordinary Shares cannot be allotted if the Receiving Agent has not received satisfactory evidence and/or the source of funds, and failure to provide such evidence may result in a delay in processing your application or your application being rejected.

Applicants choosing to settle via CREST, that is DvP, will need to match their instructions to the Receiving Agent's Participant Account RA64 by no later than 1.00 p.m. on 8 November 2021, allowing for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per Ordinary Share in the relevant currency through the CREST system upon the relevant settlement date, following the CREST matching criteria set out in the Application Form.

If the Offer for Subscription is extended, the revised timetable will be notified via a Regulatory Information Service announcement.

4. Scaling back and allocation

The results of the Initial Issue will be announced by the Company via a Regulatory Information Service.

In the event that commitments under the Initial Placing and valid applications under the Offer for Subscription exceed the maximum number of Ordinary Shares available under the Initial Issue (being 230 million Ordinary Shares), applications under the Initial Placing and Offer for Subscription will be scaled back at the discretion of Berenberg (in consultation with the Company and the Investment Adviser). Accordingly, there will be no priority given to applications under the Initial Placing or Offer for Subscription pursuant to the Initial Issue.

The Company reserves the right to decline in whole or in part any application for Ordinary Shares pursuant to the Initial Issue.

Monies received in respect of unsuccessful applications (or to the extent scaled back) will be returned without interest at the risk of the applicant to the applicant from whom the money was received, within 14 calendar days following the close of the Initial Issue.

5. Reasons for the Initial Issue and use of proceeds

The proceeds of the Initial Issue will comprise cash received under the Initial Placing and the Offer for Subscription and the proportion of the Seed Portfolio the consideration for which will be satisfied by the issue of the Consideration Shares.

The Net Proceeds of the Initial Placing and Offer for Subscription will be utilised to acquire battery energy storage projects in line with the Company's investment objective and investment policy. Assuming that the Target Gross Proceeds of £230 million pursuant to the Initial Placing and Offer for Subscription are raised, c. £149 million will be utilised to acquire and fund all of the Seed Projects, c. £65 million will be applied to the subsequent acquisition and funding of the Advanced Project (subject to final planning and due diligence) and the balance of c. £15.8 million used to pay Issue Expenses and for working capital purposes. In the event that the Minimum Gross Proceeds are raised, c. £149 million will be utilised to acquire and fund the Seed Projects and the balance of c. £11 million used to pay Issue Expenses and for working capital purposes. In such case, the Company may consider utilising borrowings (in accordance with its investment policy) to acquire the Advanced Project, subject to final planning and due diligence and subject to borrowings being available on attractive terms.

Although the Company has a right of first refusal in respect of the Advanced Project pursuant to the Pipeline Agreement, there can be no guarantee that the Company will conclude its negotiations in respect of the Advanced Project and/or acquire it, as the Advanced Project (like the other Pipeline Projects) may never reach Shovel Ready status, and any acquisition of a Pipeline Project remains subject to completion of adequate due diligence and a sale and purchase agreement on suitable terms.

Further details of the Seed Portfolio and Pipeline are set out in Part 3 of this Prospectus.

6. Costs of the Initial Issue

The formation and initial expenses of the Company are those that arise from, or are incidental to, the establishment of the Company, the Initial Issue and Admission.

The costs and expenses of, and incidental to, the formation of the Company and the Initial Issue will not exceed 2 per cent. of the Initial Issue equivalent to £4.6 million, assuming Gross Proceeds of £230 million. The costs will be deducted from the Gross Proceeds. Based on the Initial Issue of £230 million the starting Net Asset Value per Ordinary Share will be 98 pence. The Company will not charge investors any separate costs or expenses in connection with the Initial Issue.

7. Withdrawal

In the event that the Company is required to publish a supplementary prospectus prior to Admission, applicants who have applied for Ordinary Shares under the Initial Issue shall have at least two clear Business Days following the publication of the relevant supplementary prospectus within which to withdraw their offer to acquire Ordinary Shares in the Initial Issue in its entirety. If the application is not withdrawn within the

stipulated period, any offer to apply for Ordinary Shares in the Offer for Subscription will remain valid and binding.

In the event of a supplementary prospectus being issued, full details on how an investor can withdraw an application for Ordinary Shares will be detailed within the supplementary prospectus.

8. Subscriber warranties under the Initial Placing

Each subscriber of Ordinary Shares under the Initial Placing will be deemed to have represented, warranted, acknowledged and agreed to the representations, warranties, acknowledgments and agreements set out in paragraphs 4 and 5 in Part 10 to this Prospectus.

The Company, the Investment Adviser and Berenberg and their respective directors, officers, members, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor will immediately notify the Company.

9. The Placing Agreement

The Placing Agreement contains provisions entitling Berenberg to terminate the Initial Issue (and the arrangements associated with it) at any time prior to Admission in certain circumstances. If this right is exercised, the Initial Issue and these arrangements will lapse and any monies received in respect of the Initial Issue will be returned to each applicant without interest at the risk of the applicant to the applicant from whom the money was received.

The Placing Agreement provides for Berenberg to be paid commission by the Company in respect of the Ordinary Shares to be allotted pursuant to the Initial Placing and the Offer for Subscription. Any Ordinary Shares subscribed for by Berenberg may be retained or dealt in by it for its own benefit.

Under the Placing Agreement, Berenberg is also entitled at its discretion and out of its resources at any time to rebate to some or all investors part or all of its fees relating to the Initial Issue. Berenberg is also entitled under the Placing Agreement to retain agents and may pay commission in respect of the Initial Issue to any or all of those agents out of its own resources.

Further details of the terms of the Placing Agreement are set out in paragraph 8.4 of Part 9 of this Prospectus.

10. General

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

In the event that there are any material changes affecting any of the matters described in this Prospectus or where any significant new factors have arisen after the publication of this Prospectus, the Company will publish a supplementary prospectus. The supplementary prospectus will give details of the material change(s) or the significant new factor(s).

11. Initial Admission, clearing and settlement

Applications will be made for the Ordinary Shares to be admitted to trading on the Specialist Fund Segment. It is expected that Initial Admission will become effective, and that dealings in the Ordinary Shares will commence, at 8.00 a.m. on 9 November 2021.

Payment for the Ordinary Shares, in the case of the Initial Placing, should be made in accordance with settlement instructions to be provided to Placees by Berenberg. Payment for Ordinary Shares applied for

under the Offer for Subscription should be made in accordance with the instructions contained in the Offer for Subscription Application Form set out at the end of this Prospectus. To the extent that any application for Ordinary Shares is rejected in whole or in part (whether by scaling back or otherwise), monies received will be returned without interest at the risk of the applicant.

An investor applying for Ordinary Shares in the Initial Issue may receive Ordinary Shares in certificated or uncertificated form. The Ordinary Shares are in registered form. No temporary documents of title will be issued. Dealings in Ordinary Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned. It is expected that CREST accounts will be credited as soon as reasonably practicable after 8.00 a.m. on 9 November 2021 in respect of Ordinary Shares issued in uncertificated form and definitive share certificates in respect of Ordinary Shares held in certificated form will be despatched by first class post to the Shareholder's registered address within 10 Business Days of Initial Admission, at the Shareholder's own risk.

The ISIN of the Ordinary Shares is GB00BLNNFY18 and the SEDOL is BLNNFY1.

The Company does not guarantee that at any particular time market maker(s) will be willing to make a market in the Ordinary Shares, nor does it guarantee the price at which a market will be made in the Ordinary Shares. Accordingly, the dealing price of the Ordinary Shares may not necessarily reflect changes in the Net Asset Value per Ordinary Share.

12. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Ordinary Shares following Initial Admission may take place within the CREST system if any Shareholder so wishes.

It is expected that the Company will arrange for Euroclear to be instructed on 9 November 2021 to credit the appropriate CREST accounts of the subscribers concerned or their nominees with their respective entitlements to Ordinary Shares. The names of subscribers or their nominees investing through their CREST accounts will be entered directly on to the share register of the Company.

The transfer of Ordinary Shares out of the CREST system following the Initial Issue should be arranged directly through CREST. However, an investor's beneficial holding held through the CREST system may be exchanged, in whole or in part, only upon the specific request of the registered holder to CREST for share certificates or an uncertificated holding in definitive registered form.

CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so. An investor applying for Ordinary Shares in the Initial Issue may elect to receive Ordinary Shares in uncertificated form if such investor is a system-member (as defined in the CREST Regulations) in relation to CREST. If a Shareholder or transferee requests Ordinary Shares to be issued in certificated form and is holding such Ordinary Shares outside CREST, a share certificate will be despatched.

13. Overseas Persons

The attention of potential investors who are Overseas Persons is drawn to the paragraphs below.

The offer of Ordinary Shares under the Initial Issue to Overseas Persons may be affected by the laws of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to obtain Ordinary Shares under the Initial Issue. It is the responsibility of all Overseas Persons receiving this Prospectus and/or wishing to subscribe for Ordinary Shares under the Initial Issue to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

No person receiving a copy of this Prospectus in any territory other than the UK may treat the same as constituting an offer or invitation to him/her, unless in the relevant territory such an offer can lawfully be made to him/her without compliance with any further registration or other legal requirements.

Persons (including, without limitation, nominees and trustees) receiving this Prospectus may not distribute or send it to any U.S. Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. In particular, investors should note that the Company has not, and will not be, registered under the U.S. Investment Company Act and the offer, issue and sale of the Ordinary Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Ordinary Shares are being offered and sold outside the United States to non-U.S. Persons in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder. The Ordinary Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. Person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

In addition, until 40 calendar days after the commencement of the Initial Issue, an offer or sale of the Ordinary Shares within the United States by any dealer (whether or not participating in the Initial Issue) may violate the registration requirements of the U.S. Securities Act.

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

Potential investors in any territory other than the United Kingdom should refer to the notices set out in the section entitled "**Important Information**" of this Prospectus.

The Company reserves the right to treat as invalid any agreement to subscribe for Ordinary Shares under the Initial Issue if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

These transfer restrictions, which will remain in effect until the Company determines in its sole discretion to remove them, may adversely affect the ability of holders of the Ordinary Shares to trade such securities. The Company and its agents will not be obligated to recognise any resale or other transfer of the Ordinary Shares made other than in compliance with the restrictions described below.

Certain ERISA Considerations

Unless otherwise expressly agreed with the Company, the Ordinary Shares may not be acquired by:

- investors using assets of: (A) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (B) a "plan" as defined in Section 4975 of the US Tax Code including an individual retirement account or other arrangement that is subject to Section 4975 of the US Tax Code; or (C) an entity whose underlying assets are considered to include "plan assets" by reason of investment by an "employee benefit plan" or "plan" described in preceding clause (A) or (B) in such entity pursuant to the US Plan Assets Regulations; or
- a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Tax Code, unless its purchase, holding, and disposition of the Ordinary Shares will not constitute or result in a non-exempt violation of any such substantially similar law.

Representations, Warranties and Undertakings

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

- it is located outside the United States, it is not a U.S. Person, it is acquiring the Ordinary Shares in an "offshore transaction" meeting the requirements of Regulation S and it is not acquiring the Ordinary Shares for the account or benefit of a U.S. Person;
- the Ordinary Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, transferred or delivered, directly or indirectly, into or within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner that would not require the Company to register under the U.S. Investment Company Act;
- the Company has not been and will not be registered under the U.S. Investment Company Act, and, investors will not be entitled to the benefits of the U.S. Investment Company Act and the Company has elected to impose restrictions on the Initial Issue and on the future trading in the Ordinary Shares to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act;
- if in the future it decides to offer, sell, transfer, assign, pledge or otherwise dispose of the Ordinary Shares or any beneficial interest therein, it will do so only (i) in an "offshore transaction" complying with the provisions of Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person, by prearrangement or otherwise, or (ii) to the Company or a subsidiary thereof. It acknowledges and agrees that any offer, sale, transfer, assignment, pledge or other disposal made other than in compliance with the foregoing restrictions will be subject to the compulsory transfer provisions contained in the Articles;
- it is acquiring the Ordinary Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Ordinary Shares in any manner that would violate the U.S. Securities Act, the U.S. Investment Company Act or any other applicable securities laws; and
- it is aware and acknowledges that the Company reserves the right to make inquiries of any holder of the Ordinary Shares or interests therein at any time as to such person's status under U.S. federal securities laws and to require any such person that has not satisfied the Company that the holding by such person will not violate or require registration under U.S. federal securities laws to transfer such Ordinary Shares or interests in accordance with the Articles.

United States transfer restrictions

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

Accordingly, U.S. investors may not reoffer, resell, pledge or otherwise transfer or deliver, directly or indirectly, any Shares within the United States, or to, or for the account or benefit of, any U.S. Person.

Each of Berenberg, the Investment Adviser and the Company has acknowledged and warranted in the Placing Agreement that it will not offer or sell or procure the offer or sale of the Ordinary Shares under the

Initial Issue except in compliance with Regulation S. The Ordinary Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, investors may not reoffer, resell, pledge or otherwise transfer or deliver, directly or indirectly, any Ordinary Shares within the United States, or to, or for the account or benefit of, any U.S. Person.

PART 7

PLACING PROGRAMME

1. Introduction

The Company may issue up to a further 250 million Shares (being Ordinary Shares and/or C Shares) on a non-pre-emptive basis pursuant to the Placing Programme.

The Placing Programme is flexible and may have several closing dates in order to provide the Company with the ability to issue Shares over a period of time. The Placing Programme is intended to satisfy market demand for Shares and to raise further money after the Initial Issue to increase the size of the Company and invest in accordance with the Company's investment policy, and to allow the Company to issue Consideration Shares in respect of Subsequent Acquisitions of Pipeline Projects.

2. The Placing Programme

The Placing Programme will open on 9 November 2021 and will close on 14 October 2022 (or any earlier date on which it is fully subscribed, or otherwise at the discretion of the Directors). The terms and conditions that apply to the purchase of the Shares under the Placing Programme are set out in Part 10 of this document.

The Company will have the flexibility to issue Shares on a non-pre-emptive basis where there appears to be reasonable demand for Shares in the market, for example if the Shares trade at a premium to the Net Asset Value per Ordinary Share (or Net Asset Value per C Share, as relevant).

Any issue of Shares under the Placing Programme is at the discretion of the Directors. Issues may take place at any time prior to the final closing date of 14 October 2022 (or any earlier date on which it is fully subscribed, or otherwise at the discretion of the Directors). An announcement of each Subsequent Placing under the Placing Programme will be released via a Regulatory Information Service, including the Placing Programme Price for the Subsequent Placing.

Applications under any Subsequent Placing must be for a minimum subscription amount of £1,000. The Placing Programme is not being underwritten and, as at the date of this document, the actual number of Shares to be issued under the Placing Programme is not known. The maximum number of Shares available under the Placing Programme should not be taken as an indication of the number of Shares finally to be issued.

Where new Shares are issued pursuant to the Placing Programme, the total assets of the Company will increase by that number of Shares multiplied by the relevant Placing Programme Price less the expenses of such issuance.

The net proceeds of any Subsequent Placing under the Placing Programme are dependent, *inter alia*, on the level of subscriptions received, the price at which such Shares are issued and the costs of the Subsequent Placing.

The Ordinary Shares issued pursuant to the Placing Programme will rank *pari passu* with the Ordinary Shares then in issue (save for any dividends or distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment and issue of the relevant Ordinary Shares).

The Placing Programme will be suspended at any time when the Company is unable to issue Shares under any statutory provision or other regulation applicable to the Company or otherwise at the Directors' discretion. The Placing Programme may resume when such conditions cease to exist.

Conditions

Each issue of Shares pursuant to a Subsequent Placing under the Placing Programme will be conditional, *inter alia*, on:

- Admission of the relevant Shares occurring by no later than 8.00 a.m. on such date as the Company, the Investment Adviser may agree from time to time in relation to that Admission, not being later than 14 October 2022;
- a valid supplementary prospectus being published by the Company if such is required by the Prospectus Regulation Rules; and
- the Placing Agreement being wholly unconditional as regards the relevant Subsequent Placing (save as to Admission) and not having been terminated in accordance with its terms prior to the relevant Admission.

3. The Placing Programme Price

The minimum price at which Ordinary Shares will be issued pursuant to the Placing Programme, will be equal to the estimated Net Asset Value per Ordinary Share at the time of issue together with a premium to at least cover the costs and expenses of the relevant Subsequent Placing of Ordinary Shares (including, without limitation, any placing commissions), which will not exceed 2 per cent. of the gross proceeds of such Subsequent Placing. C Shares (if any) issued pursuant to the Placing Programme will be issued at 100 pence per C Share and the costs and expenses of any issue of C Shares will be allocated solely to the C Share pool of assets.

In accordance with Listing Rule 15.4.11 (with which the Company has voluntarily undertaken to comply), the Company may not issue Ordinary Shares for cash on a non-pre-emptive basis at a price below the prevailing estimated Net Asset Value per Ordinary Share at the time of announcement of the issue without Shareholder approval.

The Placing Programme Price will be announced via a Regulatory Information Service as soon as practicable in conjunction with each Subsequent Placing.

Benefits of the Placing Programme

The Directors believe that the issue of Shares pursuant to the Placing Programme should yield the following principal benefits:

- facilitating the issue of Consideration Shares and payment of Cash Consideration in respect of Subsequent Acquisitions of Pipeline Projects;
- finance the construction of Pipeline Projects;
- finance any cost overruns in relation to any Project;
- give the Company the ability to issue Ordinary Shares to better manage the premium at which the Ordinary Shares may trade relative to the Net Asset Value per Ordinary Share;
- enhance the Net Asset Value per Ordinary Share of existing Ordinary Shares through new issuance of Ordinary Shares at a premium to the prevailing estimated Net Asset Value per Ordinary Share;
- grow the Company, thereby spreading operating costs over a larger capital base which should reduce the Ongoing Charges Ratio;
- the Company will be able to raise additional capital promptly, allowing it to take advantage of future investment opportunities as and when they arise;
- further diversifying the Company's portfolio of investments; and
- improve liquidity in the market for the Ordinary Shares.

4. Costs of the Placing Programme

The costs and expenses of the Company relating to the Placing Programme are those that arise from, or are incidental to, the issue of Shares pursuant to Subsequent Placings.

These include the fees payable in relation to each subsequent Admission, including admission fees, as well as fees and commissions due under the Placing Agreement and any other applicable expenses in relation to the Placing Programme.

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

The costs and expenses of issuing Shares pursuant to a Subsequent Placing will not exceed 2 per cent. of the gross proceeds of such Subsequent Placing.

5. Scaling back

In the event of oversubscription of a Subsequent Placing, applications under the relevant Subsequent Placing will be scaled back at the absolute discretion of the Company (after consulting Berenberg).

6. The Placing Agreement

Under the Placing Agreement, Berenberg has undertaken, as agent of the Company, to use its reasonable endeavours to procure subscribers under the Placing Programme for Shares at the applicable Placing Programme Price. Details of the terms of the Placing Agreement are set out in paragraph 8.4 of Part 9 of this Prospectus.

The Placing Agreement provides for Berenberg to be paid commissions by the Company in respect of Shares to be issued pursuant to the Placing Programme. Any Ordinary Shares subscribed for by Berenberg may be retained or dealt in by it for its own benefit. Under the Placing Agreement, Berenberg is also entitled at its discretion and out of its own resources at any time to rebate to any third party part or all of its fees relating to any Subsequent Placing.

In circumstances in which the conditions to a Subsequent Placing are not fully met, the relevant issue of Shares pursuant to the Placing Programme will not take place.

7. Voting dilution

If 250 million Ordinary Shares were to be issued pursuant to the Placing Programme, and assuming the Initial Issue has been subscribed as to 253,483,694 million Ordinary Shares and a Shareholder did not participate in such Subsequent Placings, there would be a dilution of approximately 49.65 per cent. in such Shareholder's voting control of the Company immediately after the Initial Issue (and prior to the conversion of any C Shares). However, it is not anticipated that there will be any dilution in the NAV per Ordinary Share as a result of any Subsequent Placing under the Placing Programme.

8. Use of proceeds

The Company may use the net proceeds of any Subsequent Placings to acquire and fund additional projects which are Pipeline Projects if and when they qualify for investment by the Company (i.e. reach Shovel Ready status) and subject to final due diligence, or any other projects or investments which the Investment Adviser may recommend in accordance with the Company's investment objective and investment policy.

There can be no guarantee that the Company will acquire any of the Pipeline Projects, as Pipeline Projects may never reach Shovel Ready status and any Subsequent Acquisition of a Pipeline Project remains subject to completion of adequate due diligence and a sale and purchase agreement on suitable terms.

9. Admission and settlement

The Placing Programme may have several closing dates to provide the Company with the ability to issue Shares over the duration of the Placing Programme. Shares may be issued under the Placing Programme from 9 November 2021 to 14 October 2022 (or any earlier date on which it is fully subscribed, or otherwise at the discretion of the Directors).

Applications will be made for all of the Shares issued pursuant to the Placing Agreement to be admitted to trading on the Specialist Fund Segment. It is expected that any Admissions pursuant to Subsequent Placings will become effective, and that dealings in the Shares will commence, between 9 November 2021 and 14 October 2022. All Shares issued pursuant to the Placing Programme will be allotted conditionally on such Admission occurring.

Shares will be issued in registered form and may be held in either certificated or uncertificated form. In the case of Shares to be issued in uncertificated form pursuant to a Subsequent Placing, these will be transferred to the successful applicants through the CREST system. Dealing in advance of the crediting of the relevant stock account shall be at the risk of the person concerned. Whilst it is expected that all Shares allotted pursuant to the Placing Programme will be issued in uncertificated form, if any Shares are issued in certificated form it is expected that definitive share certificates will be despatched approximately one week following Admission of the Shares, at the Shareholder's own risk.

The ISIN of the Ordinary Shares is GB00BLNNFY18 and the SEDOL is BLNNFY1.

The ISIN of the C Shares is GB00BLNNFZ25 and the SEDOL is BLNNFZ2.

Any Ordinary Shares issued pursuant to any Subsequent Placing will rank *pari passu* with the Ordinary Shares then in issue (save for any dividends or distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment of the relevant Ordinary Shares).

10. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Shares under the CREST system. The Company has applied for the Shares offered under the Placing Programme to be admitted to CREST with effect from their Admission. Accordingly, settlement of transactions in the Shares following an Admission may take place within the CREST system if any Shareholder so wishes.

11. Overseas Persons

The attention of potential investors who are Overseas Persons is drawn to the paragraphs below. The offer of Shares under the Placing Programme to Overseas Persons may be affected by the laws of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to obtain Shares under the Placing Programme. It is the responsibility of all Overseas Persons receiving this Prospectus and/or wishing to subscribe for Shares under the Placing Programme to satisfy themselves as to full observance of the laws of the relevant territory in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities needing to be observed and paying any issue, transfer or other taxes due in such territory.

No person receiving a copy of this Prospectus in any territory other than the UK may treat the same as constituting an offer or invitation to him/her, unless in the relevant territory such an offer can lawfully be made to him/her without compliance with any further registration or other legal requirements.

Persons (including, without limitation, nominees and trustees) receiving this Prospectus may not distribute or send it to any U.S. Person or in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. In particular, investors should note that the Company has not, and will not be, registered under the U.S. Investment Company Act and the offer, issue and sale of the Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Shares are being offered and sold outside the United States to non-U.S. Persons in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder. The Shares may not be offered, sold, pledged or otherwise transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, any U.S. Person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States.

The Company reserves the right to treat as invalid any agreement to subscribe for Shares under the Placing Programme if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

Certain ERISA Considerations

Unless otherwise expressly agreed with the Company, the Shares may not be acquired by:

- investors using assets of: (A) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (B) a "plan" as defined in Section 4975 of the US Tax Code including an individual retirement account or other arrangement that is subject to Section 4975 of the US Tax Code; or (C) an entity whose underlying assets are considered to include "plan assets" by reason of investment by an "employee benefit plan" or "plan" described in preceding clause (A) or (B) in such entity pursuant to the US Plan Assets Regulations; or
- a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the US Tax Code, unless its purchase, holding, and disposition of the Shares will not constitute or result in a non-exempt violation of any such substantially similar law.

Representations, Warranties and Undertakings

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

- it is located outside the United States, it is not a U.S. Person, it is acquiring the Shares in an "offshore transaction" meeting the requirements of Regulation S and it is not acquiring the Shares for the account or benefit of a U.S. Person;
- the Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, resold, pledged, transferred or delivered, directly or indirectly, into or within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and in a manner that would not require the Company to register under the U.S. Investment Company Act;
- the Company has not been and will not be registered under the U.S. Investment Company Act, and, investors will not be entitled to the benefits of the U.S. Investment Company Act and the Company has elected to impose restrictions on the Initial Issue and on the future trading in the Shares to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act;
- if in the future it decides to offer, sell, transfer, assign, pledge or otherwise dispose of the Shares or any beneficial interest therein, it will do so only (i) in an "offshore transaction" complying with the provisions of Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person, by prearrangement or otherwise, or (ii) to the Company or a subsidiary thereof. It acknowledges and agrees that any offer, sale, transfer, assignment, pledge or other disposal made other than in compliance with the foregoing restrictions will be subject to the compulsory transfer provisions contained in the Articles;
- it is acquiring the Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Shares in any manner that would violate the U.S. Securities Act, the U.S. Investment Company Act or any other applicable securities laws; and
- it is aware and acknowledges that the Company reserves the right to make inquiries of any holder of the Shares or interests therein at any time as to such person's status under U.S. federal securities laws and to require any such person that has not satisfied the Company that the holding by such person will not violate or require registration under U.S. federal securities laws to transfer such Shares or interests in accordance with the Articles.

United States transfer restrictions

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

Accordingly, U.S. investors may not reoffer, resell, pledge or otherwise transfer or deliver, directly or indirectly, any Shares within the United States, or to, or for the account or benefit of, any U.S. Person.

PART 8

TAXATION

The information below is a general guide based on current UK law and HMRC practice, both of which are subject to change. It does not constitute tax advice.

It summarises the tax position of the Company and of Shareholders who are UK resident (except where indicated) and hold Shares as investments. Prospective investors who are in any doubt about their tax position, or who may be subject to tax in a jurisdiction other than the UK, are recommended to take professional advice.

The comments apply only to Shareholders who are the beneficial owners of their Shares.

1. The Company

The Company will apply to HMRC for approval as an investment trust, subject to meeting the conditions set out in s1158 of CTA 2010. It is the intention of the Directors to conduct the Company's affairs so that it qualifies to receive approval as an investment trust and continues to be approved. Neither the Adviser nor the Directors can guarantee that this approval will be granted or maintained. The following comments are made on the basis that the Company is approved as an investment trust and that, the approval is maintained.

As an investment trust the Company will be generally exempt from UK tax on capital gains realised on the disposal of investments, including interest-paying securities and derivatives, held within it.

Dividends from UK and non-UK companies are generally exempt from tax when received by the Company, provided that such dividends fall within one of the "exempt classes" in Part 9A of CTA 2009.

Other (non-dividend) income received by the Company will, after deduction of allowable management fees and any other allowable costs, normally be subject to corporation tax at the current rate of 19 per cent. (and anticipated future rate of 25 per cent. from 1 April 2023).

If the Company elects to take advantage of the "streaming" regime and to the extent that the Company receives interest income, then, as an investment trust, it will have the option of paying interest distributions (as well as or instead of dividends). In as far as the Company pays interest distributions it will be able to deduct that amount from its income in calculating its profit for corporation tax purposes.

2. Shareholders

Shareholders in the UK and other countries may be liable to account for tax to the tax authority in their country of residence. The following comments refer only to the tax liabilities of UK resident Shareholders and to UK withholding tax.

2.1 *Dividends*

Individual UK resident investors are entitled to an annual dividend allowance (currently £2,000 for tax year 2021-2022). For dividends received in excess of the allowance the income tax rates are currently 7.5 per cent. for dividend income within the basic rate tax band, 32.5 per cent. for dividend income within the higher rate tax band and 38.1 per cent. for dividend income taxable in the additional rate tax band.

The UK Government has announced a proposed increase on tax on dividend income of 1.25 per cent., across all tax bands. It is anticipated that the increase in tax rates will take effect from April 2022.

UK-resident companies will normally be exempt from corporation tax on dividends received from the Company, provided that such dividends fall within one of the "exempt classes" in Part 9A of CTA 2009.

Non-UK residents will not be subject to any UK withholding tax on dividends.

2.2 ***Interest Distributions***

If the Company pays interest distributions then individual UK Shareholders should treat those distributions as interest received without any tax deducted. Individuals may be entitled to an annual savings allowance on interest depending on their highest marginal tax rate. The allowance is currently £1,000 per year for basic and nil rate taxpayers, £500 per year for higher rate taxpayers and nil for additional higher rate taxpayers. For interest and interest distributions received in excess of the savings allowance the income tax rates are currently 20 per cent. (basic rate), 40 per cent. (higher rate), and 45 per cent. (additional rate).

If the Directors elect for the "streaming" rules to apply, and such corporate shareholders were to receive dividends designated as "interest distributions", they would be taxed for corporation tax purposes as if it were interest on a creditor loan relationship.

Non-UK-residents will not be subject to any UK withholding tax on interest distributions. They may be taxed differently in their own jurisdiction or the distributions may be treated as dividends. Non-residents should confirm the position in their own jurisdiction.

2.3 ***Tax on Chargeable Gains***

A disposal of Shares by a Shareholder may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of capital gains, depending on the Shareholder's circumstances and subject to any available exemption or relief.

Individual UK resident shareholders with chargeable gains in excess of their annual allowance (£12,300 in tax year 2021-22) may be liable to capital gains tax at 10 per cent. (for a gain falling within the basic rate tax band) or 20 per cent. (higher and additional rate gains).

For UK resident companies any chargeable gain will generally be within the charge to corporation tax.

Allowable losses may be set against chargeable gains in the same or a later period.

2.4 ***ISAs and SIPPs***

As a listed company Shares in the Company should be qualifying assets for stocks and shares ISAs and permitted investments for SIPPs.

"Shares" includes the Ordinary Shares acquired by a UK resident individual Shareholder in the Offer for Subscription or on the secondary market (but not the Initial Placing or any Subsequent Placing).

2.5 ***Personal portfolio bonds***

The Shares count as property that may be selected by holders of offshore portfolio bonds without making the bond a personal portfolio bond for the purposes of the personal portfolio bond rules.

The above is subject to the Company receiving approval from HMRC as outlined above. In the event that the Company ceases to be approved by HMRC at any point in the future, then the holding may need to be divested or disposed or the life policy may subsequently be regarded as a Personal Portfolio Bond with the associated tax consequences.

It should also be noted that a life policy may be deemed to be a Personal Portfolio Bond for other reasons, including the policy terms and conditions. Accordingly, the making of an investment in the Company may not in itself be sufficient for the bond not to be regarded as a Personal Portfolio Bond and you may wish to seek specialist advice in relation to this.

2.6 ***Stamp Duty and Stamp Duty Reserve Tax (SDRT)***

The issue of Ordinary Shares under the Initial Placing and/or the Placing Programme (whether in certificated form or not) should not give rise to stamp duty or SDRT.

Subsequent transfers of Shares will generally incur a Stamp Duty (or SDRT for Shares held through CREST) charge for the buyer of 0.5 per cent. of the transaction value (rounded up to the nearest £5).

Deposits into CREST (where there is no transfer of beneficial owner or consideration paid) will generally not be subject to SDRT or Stamp Duty.

2.7 ***Reporting requirements***

Under legislation implementing the UK's obligations under various intergovernmental agreements relating to the automatic exchange of information to improve international tax compliance (including but not limited to the international Common Reporting Standard, but not including the US Foreign Account Tax Compliance Act as the Company will be listed) the Company will be required to collect and report information about Shareholders and their investments to HMRC, including information to verify their identity and tax residence. When requested to do so by the Company or its agent, Shareholders must provide information to be passed on to HMRC, and, by them, to any relevant overseas tax authorities.

On request from HMRC the Company must provide details of interest distributions and recipients.

PART 9

GENERAL INFORMATION

1. Responsibility

The Company, whose registered office appears in paragraph 2.1(c) of this Part 9 *(General Information),* and each of the Directors, whose names appear on pages 5 and 45 of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect the import of such information. All of the Directors accept responsibility accordingly.

2. The Company

2.1 ***Incorporation***

(a) The Company was incorporated in England and Wales on 1 October 2021 with registered number 13656587 as a public company limited by shares under the Act. The Company is registered as an investment company under section 833 of the Act. The Company has an indefinite life. The Company's Legal Entity Identifier ("**LEI**") is 254900O3Xl3CJNTKR453.

(b) The Company will not be regulated as a collective investment scheme by the FCA. However, from the Admission, the Ordinary Shares will be admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange. The principal legislation under which the Company operates is the Act. The Company will also be subject to the Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, the Takeover Code, the Market Abuse Regulations and the rules of the London Stock Exchange. The Company is domiciled in England and Wales. The Company is an alternative investment fund pursuant to the UK AIFM Regime.

(c) The address of the registered office and principal place of business of the Company is at The Scalpel 18th Floor 52 Lime Street, London England EC3M 7AF, with telephone number +44 (0) 20 7409 0181.

(d) The principal activity of the Company is to invest in accordance with the Company's investment policy with a view to achieving its investment objective.

(e) On 13 October 2021, the Company was granted a certificate under section 761 of the Act entitling it to commence business and to exercise its borrowing powers.

(f) The Company has no employees and most of its day-to-day activities are delegated to third parties.

(g) The Company has applied to HMRC for approval as an investment trust under sections 1158 to 1159 of the Corporation Tax Act 2010 and intends at all times to conduct its affairs so as to enable it to qualify as an investment trust for the purposes of section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011. In summary, the key conditions that must be met for approval by HMRC for any given accounting period as an investment trust are that:

(i) all or substantially all of the business of the Company is investing its funds in shares, land or other assets with the aim of spreading investment risk and giving members the benefit of the results of the management of its funds;

(ii) the Company is not a close company at any time during the accounting period for which approval is sought;

(iv) the Company's ordinary share capital is admitted to trading on a regulated market (as defined in FSMA) throughout the accounting period; and

(v) the Company must not retain in respect of the accounting period an amount greater than the higher of: (i) 15 per cent. of its income for the period; and (ii) the amount of any income which the Company is required to retain in respect of the period by virtue of a restriction imposed by law. However, where the Company has relevant accumulated losses brought forward from previous accounting periods of an amount equal to or greater than the higher of the amounts mentioned in (i) and (ii) above, it may retain an amount equal to the amount of such losses; and

(vi) the Company notifies HMRC if it revises its published investment policy.

2.2 ***Financial information***

(a) As at the date of this Prospectus, save for entry into the material contracts summarised in paragraph 8 of this Part 9, the Company has not commenced operations and no financial statements in respect of the Company have been made up.

(b) The Company's accounting period will end on 31 October of each year. The first accounting period will end on 31 October 2022. The annual report and accounts will be prepared in Sterling according to accounting standards laid out under IFRS.

(c) As at the date of this Prospectus, the Company has no subsidiary undertakings and it neither owns nor leases any premises.

3. Share capital

3.1 ***Set out below is the issued share capital of the Company as at the date of this Prospectus:***

	Aggregate nominal value (£)	*Number*
Redeemable Management Shares	50,000	50,000
Ordinary Shares	0.01	1

The Ordinary Share and the Redeemable Management Shares were issued on incorporation of the Company pursuant to the Companies Act 2006 and are denominated in pounds sterling and have a nominal value of £0.01 (in the case of the Ordinary Share) and £1.00 each (in the case of the Redeemable Management Shares). The Ordinary Share is fully paid up and is held by the Investment Adviser. It is intended that this share shall be transferred to Harmony Energy as a Consideration Share. To enable the Company to obtain a certificate of entitlement to conduct business and to borrow under Section 761 of the Act, 50,000 Redeemable Management Shares were allotted to the Investment Adviser. The Redeemable Management Shares are fully paid up and will be redeemed immediately following Initial Admission.

3.2 ***Set out below is the issued share capital of the Company as it will be immediately following the Initial Issue (assuming that the Initial Issue is subscribed as to £230 million):***

	Aggregate nominal value (£)	*Number*
Ordinary Shares	2,534,836.95	253,483,695
Redeemable Management Shares	Nil	Nil

All Ordinary Shares will be fully paid.

3.3 ***By ordinary and special resolutions of the Company passed at general meetings on 12 and 14 October 2021:***

(1) the Directors were generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot Ordinary Shares up to an aggregate nominal amount of £2,550,000 in connection with the Placing, Offer for Subscription and issue of Consideration Shares in part consideration for the acquisition by the Company of the entire issued share capital of the Seed Portfolio Companies, in each case on the terms and subject to the conditions set out in this Prospectus, such authority to expire immediately following the date on which the Ordinary Shares issued pursuant to the Initial Issue are admitted to trading on the Specialist Fund Segment of the Main Market of London Stock Exchange plc ("**Initial Admission**") save that the Company 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 shares in pursuance of such an offer or agreement as if such authority had not expired;

(2) the Directors were generally empowered (pursuant to section 570 of the Act) to allot Ordinary Shares pursuant to the authority referred to in Resolution (1) above as if section 561 of the Act did not apply to any such allotment, such power to expire immediately following Initial Admission, save that the Company may, at any time prior to such expiry, make an offer or enter into an agreement which would or might require Ordinary Shares to be allotted after such expiry, and the Directors may allot equity securities in pursuance of such an offer or an agreement as if such power had not expired;

(3) the Directors were generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot up to 250 million Ordinary Shares and/or C Shares in aggregate following Initial Admission, such authority to expire at the conclusion of the second annual general meeting of the Company, save that the Company 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 shares in pursuance of such an offer or agreement as if such authority had not expired;

(4) the Directors were generally empowered (pursuant to section 570 and 573 of the Act) to allot Ordinary Shares and C Shares and to sell Ordinary Shares from treasury for cash pursuant to the authority referred to in Resolution (3) above as if section 561 of the Act did not apply to any such allotment or sale, such power to expire at the conclusion of the second annual general meeting of the Company, save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require equity securities to be allotted or sold from treasury after the expiry of such power, and the Directors may allot or sell from treasury equity securities in pursuance of such an offer or an agreement as if such power had not expired;

(5) the Directors were generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot up to 120,000,000 Ordinary Shares in connection with the acquisition by the Company of the entire issued share capital of the Exclusivity Project Companies, in each case on the terms and subject to the conditions set out in the Pro Forma Share Purchase Agreement, such authority to expire on the fifth anniversary of the resolution, save that the Company 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 shares in pursuance of such an offer or agreement as if such authority had not expired;

(6) the Directors were generally empowered (pursuant to section 570 and 573 of the Act) to allot Ordinary Shares and to sell Ordinary Shares from treasury for cash pursuant to the authorities referred to in Resolution (5) above as if section 561 of the Act did not apply to any such allotment or sale, such power to expire on the fifth anniversary of the resolution, save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require equity securities to be allotted or sold from treasury after the expiry of such power, and the Directors may allot or sell from treasury equity securities in pursuance of such an offer or an agreement as if such power had not expired;

(7) the Directors were, immediately following the expiry of the authority referred to in Resolution (1) and Resolution (2), generally and unconditionally authorised in accordance with section 551 of the Act to exercise all the powers of the Company to allot Ordinary Shares representing 20 per cent. of the number of Ordinary Shares in issue immediately following Initial Admission, such

authority to expire on 1 April 2023, or if earlier, at the conclusion of the first annual general meeting of the Company, save that the Company 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 shares in pursuance of such an offer or agreement as if such authority had not expired;

(8) the Directors were generally empowered (pursuant to section 570 of the Act) to allot equity securities (as defined in section 560(1) of the Act) for cash pursuant to the authority referred to in Resolution (7) above as if section 561 of the Act did not apply to any such allotment, such authority to expire on 1 April 2023, or if earlier, at the conclusion of the first annual general meeting of the Company, save that the Company 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 shares in pursuance of such an offer or agreement as if such authority had not expired;

(9) the Company was authorised in accordance with section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of Ordinary Shares, provided that:

(a) the maximum number of Ordinary Shares authorised to be purchased is 14.99 per cent. of the issued Ordinary Shares immediately following Initial Admission;

(b) the minimum price which may be paid for an Ordinary Share is £0.01;

(c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be the higher of:

(i) 5 per cent. above the average of the mid-market quotations of the Ordinary Shares for the five Business Days before the purchase is made (where "**Business Days**" is any day on which the London Stock Exchange is open for business and banks are open for business in London (excluding Saturdays and Sundays); and

(ii) the price stipulated by article 5(6) of the Market Abuse Regulation; and

(d) such authority will expire on the conclusion of the first annual general meeting of the Company, save that the Company may contract to purchase its Ordinary Shares under the authority hereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority and may purchase Ordinary Shares in pursuance of such contract; and

(10) it was resolved that, conditional upon Initial Admission and subject to the confirmation and approval of the Court, the amount standing to the credit of the share premium account of the Company immediately following completion of the Initial Issue be cancelled, and the amount of the share premium account so cancelled be credited to a reserve.

3.4 The provisions of section 561 of the Act (which, to the extent not disapplied pursuant to section 570 or section 573 of the Act, confer on Shareholders rights of pre-emption in respect of the allotment or sale of equity securities for cash) shall apply to any unissued share capital of the Company, except to the extent disapplied by the resolutions referred to in paragraphs 3.3(2) and 3.3(4) above.

3.5 In accordance with the authorities referred to in paragraphs 3.3(1) and (2) above, it is expected that the Ordinary Shares to be issued pursuant to the Initial Issue will be allotted (conditionally upon Initial Admission) pursuant to a resolution of the Board to be passed shortly before Initial Admission in accordance with the Act.

3.6 The Directors are entitled to exercise all powers of the Company to issue Shares in the Company under the Articles and are expected to resolve to do so prior to Admission in respect of the Ordinary Shares to be issued pursuant to the Initial Issue.

3.7 As at the date of this Prospectus:

(i) no subscriptions, issues or options are to be given by the Company, or are already existing, in respect of any securities of the Company, including any that have a prior right over the Ordinary Shares to a distribution of the profits or assets of the Company;

(ii) no shares which do not represent capital have been issued by the Company and remain outstanding;

(iii) no shares are held by or on behalf of the Company in treasury or otherwise;

(iv) no convertible securities, exchangeable securities or securities with warrants have been issued by the Company and remain outstanding;

(v) there have been no public takeover bids by third parties in respect of the Company's equity; and

(vi) save in connection with the Initial Issue there are no acquisition rights and/or obligations over any of the Company's authorised but unissued capital and no undertakings to increase the Company's capital.

3.8 Since the Company's incorporation, save for the one Ordinary Share issued to the Investment Adviser and the Redeemable Management Shares issued to obtain the trading certificate referred to in paragraph 2.1 of this Part 9 (*General Information*), no share or loan capital of the Company has been issued or, save in connection with the Initial Issue, agreed to be issued, and, other than pursuant to the Initial Issue (including the issue of Consideration Shares) and the Placing Programme, no such issue is now proposed.

3.9 As at the date of this Prospectus, the Company has not granted any options over its share or loan capital which remain outstanding and has not agreed, conditionally or unconditionally to grant any such options and no convertible securities, exchangeable securities or securities with warrants have been issued by the Company.

3.10 All of the Shares will be in registered form and will be eligible for settlement in CREST. Temporary documents of title will not be issued.

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

3.12 Applicants who have signed and returned Application Forms in respect of the Offer for Subscription may not withdraw their applications for Ordinary Shares subject to their statutory rights of withdrawal in the event of the publication of a supplementary prospectus.

4. Articles of Association

A summary of the main provisions of the Articles is set out below.

4.1 ***Objects***

The Articles do not provide for any objects of the Company and accordingly the Company's objects are unrestricted.

4.2 ***Variation of rights***

Subject to the provisions of the Act, if at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. At every such separate general meeting the necessary quorum shall be two persons holding or representing by proxy at least one-third in nominal value of the issued shares of the class in question (but at any adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum). At such separate general meeting, any holder of shares of the class present in person or by proxy may demand a poll and every such holder shall on a poll have one vote for every share of the class held by him.

4.3 ***Alteration of share capital***

The Company may by ordinary resolution:

(i) consolidate and divide all or any of its share capital into shares of larger nominal value than its existing shares;

(ii) sub-divide its existing shares, or any of them, into shares of smaller nominal value than is fixed by its constitution or was fixed by the resolution creating the existing shares; and

(iii) determine that, as between the shares resulting from such a sub-division, one or more shares may, as compared with the others, may be given a preference, advantage, restriction or

disadvantage as regards dividends, capital or voting or otherwise over the others or any other of such shares.

4.4 ***Issue of shares***

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

4.5 ***Dividends***

Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the Shareholders but no dividends shall exceed the amount recommended by the Directors. The Directors may pay interim dividends, or dividends payable at a fixed rate, if it appears to them that they are justified by the profits of the Company available for distribution. If the Directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

Subject to the Act and the rights of persons (if any) entitled to shares with preferential or special rights as to dividend, all dividends shall be paid *pro rata* according to the amounts paid up on the shares on which the dividend is paid. If any share is issued on terms that it ranks for dividend as from or after a particular date, or be entitled to dividends declared after a particular date, that share shall rank for or be entitled to the dividend on that basis. In any other case, dividends shall be apportioned and paid proportionately to the amount paid up on the shares during any portion(s) of the period in respect of which the dividend is paid.

4.6 ***Voting rights***

Subject to any rights or restrictions attached to any shares, on a show of hands every Shareholder present in person has one vote, every proxy present who has been duly appointed by a Shareholder entitled to vote has one vote and every corporate representative present who has been duly authorised by a corporation has the same voting rights as the corporation would be entitled to. On a poll every Shareholder (whether present in person or by proxy or by corporate representative) has one vote for every share of which he is the holder. A Shareholder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses the same way. In the case of joint holders, the vote of the person whose name appears before the names of the other joint holder(s) on the Register in respect of the share and who tenders a vote shall be accepted to the exclusion of the vote of the other joint holders.

No Shareholder shall have any right to vote at any general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, in respect of any share held by him unless all amounts presently payable by him in respect of that share have been paid.

4.7 ***Transfer of shares***

A share in certificated form may be transferred by an instrument of transfer, which may be in any usual form or in any other form approved by the Directors, executed by or on behalf of the transferor and, where the share is not fully paid, by or on behalf of the transferee. A share in uncertificated form may be transferred by means of the relevant electronic system concerned.

The Board may, in its absolute discretion and without giving a reason, refuse to register a transfer of any Share in certificated form or uncertificated form (subject to the Articles) which (i) is not fully paid and on which the Company has a lien provided that this would not prevent dealings in the Shares of that class from taking place on an open and proper basis, (ii) if a notice under section 793 of the Act ("**Section 793 Notice**") or notice under any other provision of the Statutes concerning the disclosure of interests in voting shares has been duly served and (a) the share or shares which were the subject of that notice represented in aggregate at least 0.25 per cent. of that class of shares (calculated exclusive of any treasury shares of that class); and (b) the person or persons on whom the notice was served failed to comply with the requirements of the notice within the period for compliance specified in the notice (being not less than 14 days from the date of service of the notice) and remains in default

in complying with the notice, unless the transfer in question is to a *bona fide* unconnected third party such as a sale through a recognised investment exchange or an overseas exchange or as a result of an acceptance of a takeover offer or (iii) if the transfer is of a share or shares (whether fully paid or not) in favour of more than 4 persons jointly.

In addition, the Board may refuse to register a transfer of certificated Shares unless (1) it is in respect of only one class of share and is deposited at the place where the register of members of the Company is situated (or at such other place in England and Wales as the Directors may from time to time decide); or (2) it is accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the share transfer document is executed by another person on behalf of the transferor, the authority of that person so to do. In the case of a transfer by a recognised clearing house or a nominee of a recognised clearing house or of a recognised investment exchange, share certificates do not need to be lodged, unless certificates must by law have been issued in respect of the shares in question.

In respect of a share held in uncertificated form the Directors may only register or refuse to register the transfer of such a share in accordance with the CREST Regulations.

If the Directors refuse to register or authorise the registration of a transfer of a share, they shall send notice of refusal to the transferee together with reasons for the refusal as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company or its registrar.

No fee shall be charged for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any share.

In addition, if at any time the holding or beneficial ownership of any shares in the Company by any person (whether on its own or taken with other shares), in the opinion of the Directors: (i) would cause the assets of the Company to be treated as "**plan assets**" of any benefit plan investor under section 3(42) of ERISA or the U.S. Tax Code; or (ii) would or might result in the Company and/or its shares and/or any of its appointed investment managers or investment advisers being required to register or qualify under the U.S. Investment Company Act, and/or U.S. Investment Advisers Act of 1940 and/or the U.S. Securities Act and/or the U.S. Securities Exchange Act 1934, as amended and/or any laws of any state of the U.S. or other jurisdiction that regulate the offering and sale of securities; or (iii) may cause the Company not to be considered a "**Foreign Private Issuer**" under the U.S. Securities Exchange Act 1934, as amended; or (iv) may the Company to be a "**controlled foreign corporation**" for the purpose of the U.S. Tax Code; or (v) creates a significant legal or regulatory issue for the Company under the U.S. Bank Holding Company Act 1956, as amended or regulations or interpretations thereunder, or (vi) would cause the Company adverse consequences under the foreign account tax compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 or any similar legislation in any territory or jurisdiction (including the International Tax Compliance Regulation 2015), including the Company becoming subject to any withholding tax or reporting obligation or to be unable to avoid or reduce any such tax or to be unable to comply with any such reporting obligation (including by reason of the failure of the Shareholder concerned to provide promptly to the Company such information and documentation as the Company may have requested to enable the Company to avoid or minimise such withholding tax or to comply with such reporting obligations) then any shares which the Directors decide are shares which are so held or beneficially owned ("**Prohibited Shares**") must be dealt with as described in the following paragraph. The Directors may at any time give notice in writing to the holder of a share requiring him to make a declaration as to whether or not the share is a Prohibited Share.

The Directors shall give written notice to the holder of any share which appears to them to be a Prohibited Share requiring him within 21 calendar days (or such extended time as the Directors consider reasonable) to transfer (and/or procure the disposal of interests in) such share to another person so that it will cease to be a Prohibited Share. From the date of such notice until registration for such a transfer or a transfer arranged by the Directors as referred to below, the share will not confer any right on the holder to receive notice of or to attend and vote at a general meeting of the Company and of any class of shareholder and those rights will vest in the Chairman of any such meeting, who may exercise or refrain from exercising them entirely at his discretion. If the notice is not complied with within 21 calendar days to the satisfaction of the Directors, the Directors shall arrange for the Company

to sell the share at the best price reasonably obtainable to any other person so that the share will cease to be a Prohibited Share. The net proceeds of sale (after payment of the Company's costs of sale and together with interest at such rate as the Directors consider appropriate) shall be paid over by the Company to the former holder upon surrender by him of the relevant share certificate (if applicable).

Upon transfer of a share the transferee of such share shall be deemed to have represented and warranted to the Company that such transferee is acquiring shares in an offshore transaction meeting the requirements of Regulation S and is not, nor is acting on behalf of: (i) a benefit plan investor and no portion of the assets used by such transferee to acquire or hold an interest in such share constitutes or will be treated as "plan assets" of any benefit plan investor under section 3(42) of ERISA and/or (ii) a U.S. Person.

4.8 ***Distribution of assets on a winding-up***

If the Company is wound up, with the authority of a special resolution, the liquidator may divide among the Shareholders in specie or kind the whole or any part of the assets of the Company and for that purpose may value any assets and determine how the division shall be carried out as between the Shareholders or different classes of Shareholders. The liquidator may also, with the authority of a special resolution, vest any part of the assets in trustees upon such trusts for the benefit of such Shareholders as he thinks fit, but no Shareholder shall be compelled to accept any shares or other property in respect of which there is a liability.

4.9 ***Restrictions on rights: failure to respond to a Section 793 Notice***

If a Shareholder, or any other person appearing to be interested in shares held by that Shareholder, fails to provide the information requested in a Section 793 Notice (the "**Default Shares**") within the period of compliance specified in the notice (being not less than 14 days from the date of the service of the notice) and where the default shares represent at least 0.25 per cent. of their class, sanctions shall apply unless the Directors determine otherwise. The sanctions available are the suspension of the right to attend or vote (whether in person or by representative or proxy) at any general meeting or any separate meeting of the holders of any class or on any poll and, where the default shares represent at least 0.25 per cent. of their class (excluding treasury shares), the withholding of any dividend payable in respect of those shares and the restriction of the transfer of those shares.

4.10 ***Untraced Shareholders***

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

4.11 ***Appointment of Directors***

Unless the Company determines otherwise by ordinary resolution, the Company must have not less than two and not more than ten Directors.

The Company may by ordinary resolution appoint a person who is willing to act as, and is permitted by law to do so, to be a Director either to fill a vacancy or as an additional Director. The Directors may appoint a person who is willing to act, and is permitted by law to do so, to be a Director, either to fill a vacancy or as an additional Director. A person appointed as a Director by the other Directors is required to retire at the Company's next annual general meeting and shall then be eligible for reappointment.

At the first AGM, all of the Directors must retire from office.

At every subsequent AGM, any Directors:

(i) who have been appointed by the Directors since the last AGM; or

(ii) who were not appointed or reappointed at one of the preceding two AGMs,

must retire from office and may offer themselves for reappointment by the members.

A director retiring at a meeting shall retain office until the close of the meeting. A director who retires at the annual general meeting shall be eligible for re-election. If he is not reappointed he shall retain office until the meeting appoints someone in his place, or if it does not do so, until the end of the meeting.

Subject to the provisions of the Articles, the Company at the meeting at which a director retires may fill the vacated office by electing a person thereto and in default the retiring director shall, if willing to continue to act, be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such director shall have been put to the meeting and lost.

The office of a Director shall be vacated:

(i) if he is prohibited by law from being a Director or ceases to be a Director by the Act;

(ii) if he resigns his office by giving written notice signed by him sent to or deposited at the Company's registered office or tendered at a meeting of the Board;

(iii) if he becomes bankrupt or applies for an interim order pursuant to section 253 of the Insolvency Act 1986 or enters into any voluntary arrangement with within the definition contained in that section or has an interim receiver appointed under section 286 of the Act;

(iv) if a registered medical practitioner who is treating him gives a written opinion to the Company that he has become mentally or physically incapable of acting as a director and may remain so for more than 3 months;

(v) he is suffering from mental or physical ill health and the Directors resolve at a meeting of the Directors that his office be vacated;

(vi) if he absents himself from meetings of the Board for a consecutive period of 6 months without permission of the Directors and his alternate director (if any) has not during such period attended in his place and the Board resolves that his office shall be vacated;

(vii) if the Company by special resolution, or in accordance with and subject to the provisions of the Act, by ordinary resolution at a meeting of which special notice has been given shall declare that he shall cease to be a Director; or

(viii) if he is removed from office by written notice served upon him and signed by all of the other Directors.

4.12 ***Powers of Directors***

The business of the Company shall be managed by the Directors who, subject to the provisions of the Articles and to any directions given by ordinary resolution to take, or refrain from taking, specified action, may exercise all the powers of the Company.

Any Director may appoint any other Director, or any other person approved by resolution of the Directors, to be an alternate Director.

4.13 ***Borrowing powers***

The Board on behalf of the Company may exercise all the powers of the Company to borrow or raise money, to mortgage or charge its undertaking, property, assets and uncalled capital and to issue debentures and other securities, and to give security whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party, provided the Directors shall restrict the borrowings of the Group and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (as regards subsidiaries so far as by such exercise they can secure) that the aggregate amount for the time being remaining undischarged of all moneys borrowed by the Group (exclusive of moneys owing by one member of the Group to another) and for the time being owing to persons outside the Group shall not at any time, without the previous sanction of an ordinary resolution of the Company, exceed an amount equal to 49 per cent. of the Company's Net Asset Value at the time that the borrowings are drawn down.

4.14 ***Voting at board meetings***

No business shall be transacted at any meeting of the Directors unless a quorum is present and the quorum may be fixed by the Directors; unless so fixed at any other number the quorum shall be two. A Director shall not be counted in the quorum present in relation to a matter or resolution on which he is not entitled to vote but shall be counted in the quorum present in relation to all other matters or resolutions considered or voted on at the meeting. An alternate Director who is not himself a Director shall, if his appointor is not present, be counted in the quorum.

Questions arising at a meeting of the Directors shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

4.15 ***Restrictions on voting***

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

4.16 ***Fees of Non-Executive Directors***

Each of the Directors shall be paid out of the funds of the Company a fee at such rate as the Directors may from time to time be determined by the Directors provided that such fees do not in the aggregate exceed the sum of £400,000 per annum, or such higher figure as the Company may by ordinary resolution from time to time determine.

The Directors (including alternate directors) are entitled to be paid out of Company funds all their reasonable travelling, hotel, and other expenses properly and reasonably incurred by them respectively in and about the business of the Company or in the discharge of their duties as a Director, including their expenses of travelling to and from Directors' meetings, committee meetings or general meetings or separate meetings of the holders of any class of shares or debentures of the Company.

4.17 ***Directors' interests***

The Directors may authorise a director to be involved in a situation in which the director has or may have a direct or indirect interest which conflicts or may conflict with the interests of the Company (including a conflict of interest and a conflict of duty and a conflict of duties) ("**a conflict of interest**") provided that:

(i) in the case of a proposed appointment of a person as a director, the Directors authorise the conflict of interest before or at the time the director is appointed to office;

(ii) in the case of any other director the Directors authorise the conflict of interest at the time the conflict is declared to them in accordance with Article 105;

(iii) the director subject to the conflict of interest or any other interested director shall not vote and shall not be counted in the quorum in respect of such authorisation and if he or any other interested director does vote, those votes shall not be counted;

(iv) the Directors may in their absolute discretion impose such terms or conditions on the grant of the authorisation as they think fit and in doing so the Directors will act in such a way in good faith they consider will be most likely to promote the success of the Company;

(v) a director will not be in breach of his duty under sections 172, 174 and 175 of the Act or any authorisation given by the Directors by reason only that he receives confidential information from a third party relating to the conflict of interest which has been authorised and either fails to disclose it to the Directors or fails to use it in relation to the Company's affairs; and

(vi) where approval to a transaction which falls within Chapter 4 of Part 10 of the Act is given by members in accordance with that Chapter further authorisation for that transaction by the Directors is not necessary.

A Director shall not vote as a director in respect of any contract, transaction or arrangement or proposed contract, transaction or arrangement or any other proposal in which he has any interest which conflicts or may conflict with the interests of the Company (other than an interest in shares or

debentures or other securities of or otherwise in or through the Company). If he does vote his vote shall not be counted. A director shall not be counted in the quorum present at the meeting in relation to any resolution of the Directors or of a committee of the Directors on which he is debarred from voting, provided that:

(i) interests of a person connected with the director are aggregated with the director's interest but interests in shares or debentures or other securities of or connected with the Company are to be disregarded;

(ii) provided that a director has no other interest save for that referred to above, he shall be entitled to vote as a director and be counted in the quorum in respect of any resolution of the Directors or of a committee of the Directors relating to any of the following matters:

(a) the giving of any security, guarantee or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings; or

(b) the giving of any security, guarantee or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which the director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security; or

(c) the granting of any indemnity or provision of defence funding pursuant to the Articles unless the terms of such arrangement confer upon such director a benefit not generally available to any other director; or

(d) an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings for subscription or purchase in which offer he is or is to be or may be entitled to participate as a holder of securities or as an underwriter or sub-underwriter; or

(e) any matters involving or relating to any other company in which he or any person connected with him has a direct or indirect interest (whether as an officer or shareholder or otherwise), provided that he and any persons connected with him are not to his knowledge the holder (otherwise than as a nominee for the Company or any of its subsidiary undertakings) of or beneficially interested in one per cent. or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances); or

(f) an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him any privilege or benefit not generally awarded to the employees to whom the arrangement relates; or

(g) the purchase and/or maintenance of any insurance policy for the benefit of directors or for the benefit of persons.

A Director who is in any way, whether directly or indirectly and whether for himself or through a person connected with him, interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company and where relevant as a consequence of any situation arising from a conflict of interest, shall declare the nature of his interest in accordance with the Act.

4.18 ***Indemnity***

Subject to the provisions of the Statutes, the Company may indemnify every director, alternate director, former director, secretary or other officer of the Company (other than an auditor) of the Company, against any liability whether in connection with any negligence, default, breach of duty or breach of trust by him in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director of the Company or any associated company. The Directors may purchase and maintain, at the cost of the Company, insurance for every director, alternate director, former director, secretary, or other officer of the Company or an associated company in relation to anything done or omitted to be done or alleged to have been done or omitted to be done as director, alternate director, secretary or officer.

4.19 ***General meetings***

The Directors shall determine in relation to each general meeting the means of attendance at and participation in the meeting, including whether the persons entitled to attend and participate in the meeting shall be enabled to do so:

(i) by means of electronic facility or facilities; and/or

(ii) by simultaneous attendance and participation at another location, as further described below.

In the case of the annual general meeting, at least 21 clear days' notice in writing shall be given to all the members and to the auditors. All other general meetings be called by at least 14 clear days' notice in writing to all the members.

No business other than the appointment of the chairman of the meeting shall be transacted at any meeting unless a quorum is present. One person where there is only a single member of the Company and two persons where there is more than one member of the Company entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation which is a Shareholder (including for this purpose two persons who are proxies or corporate representatives of the same Shareholder), shall be a quorum.

The Directors may resolve to enable persons entitled to attend and participate in a general meeting to do so partly (but not wholly) by simultaneous attendance and participation by means of electronic facility or facilities, and may determine the means, or all different means, of attendance and participation used in relation to the general meeting. The members present in person or by proxy by means of an electronic facility or facilities (as so determined by the Directors) shall be counted in the quorum for, and be entitled to participate in, the general meeting in question. That meeting shall be duly constituted and its proceedings valid if the chairman is satisfied that adequate facilities are available throughout the meeting to ensure that members attending the meeting by all means (including the means of an electronic facility or facilities) are able to:

(i) participate in the business for which the meeting has been convened;

(ii) hear all persons who speak at the meeting; and

(iii) be heard by all other persons attending and participating in the meeting,

provided that nothing in the Articles authorises or allows a general meeting to be held exclusively on an electronic basis.

A Shareholder is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. A Shareholder may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. Subject to the provisions of the Act, any corporation (other than the Company itself) which is a Shareholder may, by resolution of its directors or other governing body, authorise such person(s) to act as its representative(s) at any meeting of the Company, or at any separate meeting of the holders of any class of shares.

Delivery of an appointment of proxy shall not prevent a Shareholder from attending and voting at the meeting or at any adjournment of it.

Directors may attend and speak at general meetings and at any separate meeting of the holders of any class of shares, whether or not they are Shareholders.

A poll on a resolution may be demanded at a general meeting before or on the declaration of the result of the show of hands by the chairman or those members entitled under the Act to demand a poll. A resolution put to the vote at a general meeting held partly by means of electronic facility or facilities shall also be decided on a poll, which poll votes may be cast by such electronic means as the Directors, in their sole discretion, deem appropriate for the purposes of the meeting.

4.20 ***C Shares and Deferred Shares***

The rights and restrictions attaching to the C Shares and the Deferred Shares arising on their conversion are summarised below.

(a) *The following definitions apply for the purposes of this paragraph 4.20 only:*

"Calculation Date" means the earliest of the:

(i) close of business on the date to be determined by the Directors occurring not more than 10 Business Days after the day on which the AIFM shall have given notice to the Directors that at least 85 per cent. of the Net Proceeds (or such other percentage as the Directors and the AIFM may agree) shall have been invested; or

(ii) close of business on the date falling 12 calendar months after the allotment of the relevant class of C Shares or if such a date is not a Business Day the next following Business Day; or

(iii) close of business on the day on which the Directors resolve that Force Majeure Circumstances have arisen or are imminent;

"C Shareholder" means a registered holder of C Shares for the time being;

"Conversion" means conversion of the C Shares into Ordinary Shares and Deferred Shares in accordance with paragraph (g);

"Conversion Date" means the close of business on such Business Day as may be selected by the Directors falling not more than 10 Business Days after the Calculation Date;

"Conversion Ratio" is the ratio of the net asset value per C Share of the relevant class to the net asset value per Ordinary Share, which is calculated as:

$$\text{Conversion Ratio} = \frac{\mathbf{A}}{\mathbf{B}}$$

$$\textbf{"A"} = \frac{\mathbf{C - D}}{\mathbf{E}}$$

$$\textbf{"B"} = \frac{\mathbf{F - C - I - G + D + J}}{\mathbf{H}}$$

Where:

"C" is the aggregate of:

(i) the value of the investments of the Company attributable to the C Shares of the relevant class, calculated by reference to the Directors' belief as to an appropriate current value for those investments on the Calculation Date in accordance with any valuation policy adopted by the Company from time to time; and

(ii) the amount which, in the Directors' opinion, fairly reflects, on the Calculation Date, the value of the current assets of the Company attributable to the relevant class of C Shares (excluding the investments valued under (i) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature), calculated in accordance with any valuation policy adopted by the Company from time to time;

"D" is the amount (to the extent not otherwise deducted from the assets attributable to the relevant class of C Shares) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company attributable to the relevant class of C Shares on the Calculation Date (including the amounts of any declared but unpaid dividends in respect of such shares);

"E" is the number of C Shares of the relevant class in issue on the Calculation Date;

"F" is the aggregate of:

(i) the value of all the investments of the Company, calculated by reference to the Directors' belief as to an appropriate current value for those investments on the Calculation Date in accordance with any valuation policy adopted by the Company from time to time; and

(ii) the amount which, in the Directors' opinion, fairly reflects, on the Calculation Date, the value of the current assets of the Company (excluding the investments valued under (i) above but

including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature), calculated in accordance with any valuation policy adopted by the Company from time to time;

"G" is the amount (to the extent not otherwise deducted in the calculation of "**F**") which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company on the Calculation Date (including the amounts of any declared but unpaid dividends);

"H" is the number of Ordinary Shares in issue on the Calculation Date (excluding any Ordinary Shares held in treasury);

"I" is the aggregate of:

(i) the value of the investments of the Company attributable to all other class(es) of C Shares in issue other than the class of C Shares as referred to in "**C**" above (the "**Other Class(es) of C Shares**"), calculated by reference to the Directors' belief as to an appropriate current value for those investments on the Calculation Date in accordance with any valuation policy adopted by the Company from time to time; and

(ii) the amount which, the Directors' opinion, fairly reflect, on the Calculation Date, the value of the current assets of the Company attributable to the Other Class(es) of C Shares (excluding the investments valued under (i) above but including cash and deposits with or balances at a bank and including any accrued income less accrued expenses and other items of a revenue nature), calculated in accordance with any valuation policy adopted by the Company from time to time; and

"J" is the amount (to the extent not otherwise deducted from the assets attributable to the Other Class(es) of C Shares) which, in the Directors' opinion, fairly reflects the amount of the liabilities of the Company attributable to the Other Class(es) of C Shares on the Calculation Date, provided that the Directors shall make such adjustments to the value or amount of "**A**" and "**B**" as the Auditors shall report to be appropriate having regard among other things, to the assets of the Company immediately prior to the date on which the Company first receives the Net Proceeds relating to the relevant class of C Shares and/or to the reasons for the issue of the relevant class of C Shares;

"Deferred Shares" means deferred shares of £0.01 each in the capital of the Company arising on Conversion;

"**Deferred Shareholder**" means a registered holder of Deferred Shares for the time being;

"Existing Ordinary Shares" means the Ordinary Shares in issue immediately prior to Conversion;

"Force Majeure Circumstances" means:

(i) any political and/or economic circumstances and/or actual or anticipated changes in fiscal or other legislation which, in the reasonable opinion of the Directors, renders Conversion necessary or desirable;

(ii) the issue of any proceedings challenging, or seeking to challenge, the power of the Company and/or its Directors to issue the C Shares of the relevant class with the rights proposed to be attached to them and/or to the persons to whom they are, and/or the terms upon which they are proposed to be issued; or

(iii) the giving of notice of any general meeting of the Company at which a resolution is to be proposed to wind up the Company, whichever shall happen earliest;

"Net Proceeds" means the net cash proceeds of the issue of the relevant class of C Shares (after deduction of those commissions and expenses relating thereto and payable by the Company); and

"**Ordinary Shareholder**" means a registered holder of Ordinary Shares for the time being.

(b) *The holders of the Ordinary Shares, the Redeemable Management Shares, the C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights to be paid dividends:*

(i) the Deferred Shares (to the extent that any are in issue and extant) shall entitle the holders thereof to a cumulative annual dividend at a fixed rate of one per cent. of the nominal amount thereof, the first such dividend (adjusted *pro rata temporis*) (the **"Deferred Dividend**") being payable on the date six months after the Conversion Date on which such Deferred Shares were created (the **"Relevant Conversion Date**") and on each anniversary of such date payable to the holders thereof on the register of members on that date as holders of Deferred Shares but shall confer no other right, save as provided herein, on the holders thereof to share in the profits of the Company. The Deferred Dividend shall not accrue or become payable in any way until the date six months after the Relevant Conversion Date and shall then only be payable to those holders of Deferred Shares registered in the register of members of the Company as holders of Deferred Shares on that date. It should be noted that given the proposed repurchase of the Deferred Shares as described below, it is not expected that any dividends will accrue or be paid on such shares;

(ii) the C Shareholders shall be entitled to receive in that capacity such dividends as the Directors may resolve to pay out of net assets attributable to the relevant class of C Shares and from income received and accrued which is attributable to the relevant class of C Shares;

(iii) a holder of Redeemable Management Shares shall be entitled (in priority to any payment of dividend on any other class of share) to a fixed cumulative preferential dividend of 0.01 per cent. per annum on the nominal amount of the Redeemable Management Shares held by him, such dividend to accrue annually and to be payable in respect of each accounting reference period of the Company within 21 days of the end of such period;

(iv) the Ordinary Shares shall confer the right to dividends declared in accordance with the Articles;

(v) the Ordinary Shares into which C Shares shall convert shall rank *pari passu* with the Existing Ordinary Shares for dividends and other distributions made or declared by reference to a record date falling after the relevant Calculation Date; and

(vi) no dividend or other distribution shall be made or paid by the Company on any of its shares (other than any Deferred Shares for the time being in issue) between the Calculation Date and the Conversion Date relating to such C Shares (both dates inclusive) and no such dividend shall be declared with a record date falling between the Calculation Date and the Conversion Date (both dates inclusive).

(c) *The holders of the Ordinary Shares, the Redeemable Management Shares, the C Shares and the Deferred Shares shall, subject to the provisions of the Articles, have the following rights as to capital:*

(i) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase or redemption by the Company of any of its shares) at a time when any C Shares are for the time being in issue and prior to the Conversion Date relating to such C Shares, be applied (after having deducted therefrom an amount equivalent to (C-D) in respect of each class of C Shares in issue using the methods of calculation of "**C**" and "**D**" given in the definition of Conversion Ratio set out above save that the "**Calculation Date**" shall be such date as the liquidator may determine, which amount attributable to each class shall be applied amongst the C Shareholders of such class *pro rata* according to the nominal capital paid up on their holdings of C Shares), first, amongst the holders of Redeemable Management Shares *pro rata* according to the nominal capital paid up on their holdings of Redeemable Management Shares and, second, amongst the existing Ordinary Shareholders *pro rata* according to the nominal capital paid up on their holdings of Existing Ordinary Shares provided however that the holders of the Redeemable Management Shares shall only receive an amount up to the capital paid up on such Redeemable Management Shares and the Redeemable Management Shares shall not confer the right to participate in any surplus remaining following payment of such amount; and

(ii) the surplus capital and assets of the Company shall on a winding-up or on a return of capital (otherwise than on a purchase by the Company of any of its shares) at a time when no C Shares are for the time being in issue be applied as follows:

(A) first, if there are Deferred Shares in issue, in paying to the Deferred Shareholders £0.01 in aggregate in respect of every 1,000,000 Deferred Shares (or part thereof) of which they are respectively the holders; and

(B) secondly, the surplus shall be divided, first, amongst the holders of Redeemable Management Shares *pro rata* according to the nominal capital paid up on their holdings of Redeemable Management Shares and, second, amongst the Ordinary Shareholders *pro rata* according to the nominal capital paid up on their holdings of Ordinary Shares provided however that the holders of the Redeemable Management Shares shall only receive an amount up to the capital paid up on such Redeemable Management Shares and the Redeemable Management Shares shall not confer the right to participate in any surplus remaining following payment of such amount.

(d) *As regards voting:*

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

(ii) The Deferred Shares and the Redeemable Management Shares shall not carry any right to receive notice of nor to attend or vote at any general meeting of the Company.

(e) *The following shall apply to the Deferred Shares:*

(i) the C Shares shall be issued on such terms that the Deferred Shares arising upon Conversion (but not the Ordinary Shares arising on Conversion) may be repurchased by the Company in accordance with the terms set out herein;

(ii) immediately upon Conversion, the Company shall repurchase all of the Deferred Shares which arise as a result of Conversion for an aggregate consideration of £0.01 for every 1,000,000 Deferred Shares and the notice referred to in paragraph (g) (ii) below shall be deemed to constitute notice to each C Shareholder of the relevant class (and any person or persons having rights to acquire or acquiring C Shares of the relevant class on or after the Calculation Date) that the Deferred Shares shall be repurchased immediately upon Conversion for an aggregate consideration of £0.01 for each holding of 1,000,000 Deferred Shares. On repurchase, each Deferred Share shall be treated as cancelled in accordance with section 706 of the Act without further resolution or consent; and

(iii) the Company shall not be obliged to: (i) issue share certificates to the Deferred Shareholders in respect of the Deferred Shares; or (ii) account to any Deferred Shareholder for the repurchase moneys in respect of such Deferred Shares.

(f) *For so long as any C Shares are for the time being in issue, until Conversion of such C Shares and without prejudice to its obligations under applicable laws the Company shall:*

(i) procure that the Company's records, bank and custody accounts shall be operated so that the assets attributable to the C Shares can, at all times, be separately identified and, in particular but without prejudice to the generality of the foregoing, the Company shall, without prejudice to any obligations pursuant to applicable laws, procure that separate cash accounts, broker settlement accounts and investment ledger accounts shall be created and maintained in the books of the Company for the assets attributable to each class of C Shares in issue;

(ii) allocate to the assets attributable to each class of C Shares in issue such proportion of the income, expenses and liabilities of the Company incurred or accrued between the date on which the Company first receives the Net Proceeds and the Calculation Date relating to each class of C Shares in issue (both dates inclusive) as the Directors consider to be attributable to the relevant C Shares; and

(iii) give or procure the giving of appropriate instructions to the AIFM to manage the Group's assets so that such undertakings can be complied with by the Company.

(g) *A class of C Shares for the time being in issue shall be sub-divided and converted into Ordinary Shares and Deferred Shares on the relevant Conversion Date in accordance with the following provisions of this paragraph (g):*

(i) the Directors shall procure that as soon as reasonably practicable and in any event within one month of the relevant Calculation Date:

(A) the Conversion Ratio as at the relevant Calculation Date and the numbers of Ordinary Shares and Deferred Shares to which each C Shareholder of the relevant class shall be entitled on Conversion shall be calculated; and

(B) the Auditors shall be requested to confirm that such calculations as have been made by the Company have, in their opinion, been performed in accordance with the Articles and are arithmetically accurate whereupon such calculations shall become final and binding on the Company and all holders of the Company's shares and any other securities issued by the Company which are convertible into the Company's shares, subject to the proviso immediately after the definition of "**J**" in paragraph (a).

(ii) The Directors shall procure that, as soon as practicable following such confirmation and in any event within one month of the relevant Calculation Date, a notice is sent to each C Shareholder of the relevant class advising such C Shareholder of the relevant Conversion Date, the relevant Conversion Ratio and the numbers of Ordinary Shares and Deferred Shares to which such C Shareholder will be entitled on Conversion.

(iii) On conversion each C Share of the relevant class in issue shall automatically subdivide into 10 conversion shares of £0.01 each and such conversion shares of £0.01 each shall automatically convert into such number of Ordinary Shares and Deferred Shares as shall be necessary to ensure that, upon such Conversion being completed:

(A) the aggregate number of Ordinary Shares into which the same number of conversion shares of £0.01 each are converted equals the number of C Shares in issue on the Calculation Date multiplied by the Conversion Ratio (rounded down to the nearest whole Ordinary Share); and

(B) each conversion share of £0.01 which does not so convert into an Ordinary Share shall convert into one Deferred Share.

(iv) The Ordinary Shares and Deferred Shares arising upon Conversion shall be divided amongst the former C Shareholders of the relevant class *pro rata* according to their respective former holdings of C Shares of the relevant class (provided always that the Directors may deal in such manner as they think fit with fractional entitlements to Ordinary Shares and Deferred Shares arising upon Conversion including, without prejudice to the generality of the foregoing, selling any Ordinary Shares representing such fractional entitlements and retaining the proceeds for the benefit of the Company).

(v) Forthwith upon Conversion, the share certificates relating to the C Shares of the relevant class shall be cancelled and the Company shall issue to each former C Shareholder of the relevant class new certificates in respect of the Ordinary Shares which have arisen upon Conversion to which he is entitled. Share certificates in respect of the Deferred Shares will not be issued.

(vi) The Directors may make such adjustments to the terms and timing of Conversion as they in their discretion consider are fair and reasonable having regard to the interests of all Shareholders.

(h) *Without prejudice to the generality of the Articles, for so long as any C Shares are for the time being in issue it shall be a special right attaching to the Existing Ordinary Shares as a class and to the C Shares as a separate class that without the sanction or consent of such holders given in accordance with the Company's Articles:*

(i) no allotment or issue will be made of any security convertible into or carrying a right to subscribe for any share capital of the Company other than the allotment or issue of further C Shares; and

(ii) no resolution of the Company shall be passed to wind-up the Company.

(i) *For the avoidance of doubt but subject to the rights or privileges attached to any other class of shares, the previous sanction of a special resolution of the holders of Existing Ordinary Shares and C Shares, as described above, shall not be required in respect of:*

(i) the issue of further Ordinary Shares ranking *pari passu* in all respects with the Existing Ordinary Shares (otherwise than in respect of any dividend or other distribution declared, paid or made on the Existing Ordinary Shares by the issue of such further Ordinary Shares); or

(ii) the sale of any shares held as treasury shares (as such term is defined in section 724 of the Act) in accordance with sections 727 and 731 of the Act or the purchase or redemption of any shares by the Company (whether or not such shares are to be held in treasury).

4.21 ***Redemption***

The Company may by notice in writing and upon tendering to a registered holder of Redeemable Management Shares the amount of capital paid up thereon, redeem any Redeemable Management Shares at any time and in any event no later than 31 December 2022 (subject to the provisions of the Act) and such holder shall be bound to deliver up any certificate which may have been representing the same. Upon redemption, the name of the registered holder shall be removed from the register of members. Each Redeemable Management Share which is redeemed shall thereafter be cancelled.

None of the Ordinary Shares or the C Shares shall be redeemable by the Company.

4.22 ***Continuation vote***

The Articles contain a provision requiring the Directors to propose an ordinary resolution that the Company continue in existence as an investment trust for a further period of four years at the annual general meeting of the Company to be held in 2027 and, if passed, at every fourth annual general meeting of the Company thereafter. Upon such resolution not being passed, proposals will be put forward by the Directors within six months after the relevant annual general meeting for the voluntary liquidation, unitisation, reorganisation or other reconstruction of the Company for approval by ordinary resolution of the Company.

5. The Takeover Code

5.1 ***Mandatory bid***

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

(i) a person acquires an interest in shares which, when taken together with shares already held by him or persons acting in concert with him, carry 30 per cent. or more of the voting rights in the Company; or

(ii) a person who, together with persons acting in concert with him, is interested in not less than 30 per cent. and not more than 50 per cent. of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested, the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Panel) to make a cash offer for the outstanding shares at a price not less than the highest price paid for any interests in the shares by the acquirer or its concert parties during the previous 12 months.

5.2 ***Compulsory acquisition***

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

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

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

6. Valuation policy

The Administrator is responsible for calculating the NAV per Share of the Company. The unaudited NAV per Share will be calculated as at the close of business on the last Business Day of every quarter by the Administrator and will be announced through a Regulatory Information Service shortly after the end of the quarter or, in the case of the 30 April and 31 October NAVs, as part of the Company's interim and annual financial statements respectively. The NAV is calculated in accordance with paragraph 10 of Part 1 *(The Company)* of this Prospectus. Valuations of NAV per Share will be suspended only in any circumstances in which the underlying data necessary to value the investments of the Company cannot readily or without undue expenditure be obtained or for regulatory reasons. Any such suspension will be announced through a Regulatory Information Service.

7. Interests of Directors, major shareholders and related party transactions

7.1 ***Directors' interests***

(a) As at the date of this Prospectus, none of the Directors nor their immediate families and related trusts and (insofar as is known to them or could with reasonable diligence be ascertained by them) persons connected (within the meaning of section 96B of FSMA (as amended by the Financial Services and Markets Act 2000 (Amendment) Regulations 2009)) with the Directors had any interests in the share capital of the Company.

(b) No Director has or has had any interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company which was effected by the Company since its incorporation.

(c) No share or loan capital of the Company is under option or is agreed conditionally or unconditionally to be put under option.

(d) There are no outstanding loans granted by the Company to any of the Directors nor is any guarantee provided by the Company for the benefit of any of the Directors.

(e) The Directors intend to subscribe for the following number of Ordinary Shares under the Offer for Subscription:

Director	*Ordinary Shares***	*Percentage of issued Ordinary Share capital**
Norman Crighton (Chair)	5,000	0.002
Janine Freeman	5,000	0.002
Hugh McNeal	5,000	0.002
William Rickett	5,000	0.002
Shefaly Yogendra	5,000	0.002

* Assuming that 253,483,695 Ordinary Shares are in issue at Initial Admission.

** The Directors have decided to invest identical amounts at IPO as the Board is seeking to promote true inclusion and expand the talent pool for investment trust directors from diverse backgrounds, who may not be able to commit to a large capital investment at IPO. Not all potential non-executive directors who can bring a wide range of skill-sets have access to significant funds for this purpose. The Board does intend to purchase on an annual basis additional shares equal in value to 10 per cent. of their annual net directors' fees and intends to participate in future capital raises, providing further alignment with Shareholders.

(f) Save as disclosed in this table above, immediately following Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

7.2 ***Directors' contracts with the Company***

(a) All the Directors of the Company are non-executive. It is the Board's policy that none of the Directors has a service contract. The terms of their appointment provide that a Director may be removed without notice and that no compensation will be due on leaving office.

(b) Conditional upon Admission of the Ordinary Shares to be issued pursuant to the Initial Issue, the Directors will be entitled to aggregate annual remuneration (including any contingent or deferred compensation but excluding expenses) payable and benefits in kind granted as follows:

Director	*Fees*
Norman Crighton (Chair)	£50,000
Janine Freeman (Audit Chair)	£45,000
Hugh McNeal	£40,000
William Rickett	£40,000
Shefaly Yogendra	£40,000
Total	£215,000

(c) The aggregate amount of remuneration (including any contingent or deferred compensation but excluding expenses) payable and benefits in kind granted to the Directors for the current financial period ending 31 October 2022 is estimated to be approximately £215,000. The Directors are also entitled to out-of-pocket expenses incurred in the proper performance of their duties.

(d) The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits. There is no amount set aside or accrued by the Company in respect of contingent or deferred compensation payments or any benefits in kind payable to the Directors.

(e) Each of the Directors is engaged under a letter of appointment with the Company and does not have a service contract with the Company. Under the terms of their appointment, each Director is appointed for a period commencing on 12 October 2021 until the conclusion of the Company's first annual general meeting, and is required to retire and be subject to election at each AGM. Those terms also provide that a Director may be removed without notice and that compensation will not be due on leaving office. Each Director is also subject to the rotation of directors provisions set out in the Articles which provide that a Director appointed by the Board during the year is required to retire and seek election by Shareholders at the next annual general meeting following their appointment. At the Company's first AGM, each of the Directors shall be submitting

themselves for re-election. Thereafter, the Directors intend to offer themselves for re-election annually but, under the Articles, are only required to submit themselves for re-election at least once every three years.

7.3 ***Directors' other interests***

(a) Over the five years preceding the date hereof, the Directors hold or have held the following directorships (apart from their directorships of the Company) and/or memberships of administrative, management or supervisory bodies and/or partnerships:

	Current directorships/partnerships	*Past directorships/ partnerships*
Norman Crighton (Chair)	AVI Japan Opportunity Trust plc RM Infrastructure Income plc Weiss Korea Opportunity Fund Ltd	Global Fixed Income Realisation Universal Umvelt Ltd
Janine Freeman	Public Power Solutions Limited Zoop Energy Ltd	SunReign Ltd Repono Holdco 1 Limited
Hugh McNeal	Offshore Renewable Energy Catapult	Offshore Wind Growth Partnership Limited OWIC Sector Deal Delivery Limited Scottish Renewables Forum Limited Renewable UK Training Limited (dissolved on 4 February 2020) Renewable Certification Limited (dissolved on 7 April 2020)
	Current directorships/partnerships	*Past directorships/ partnerships*
William Rickett	Greencoat UK Wind plc CEPA LLP	Impax Environmental Markets plc Smart DCC Limited
Shefaly Yogendra	Temple Bar Investment Trust JP Morgan US Smaller Companies Investment Trust London Metropolitan University (Governor)	Ditto AI Limited BeyondMe (Trustee)

As at the date of this Prospectus, there are no potential conflicts of interest between any of the Directors' duties to the Company and their private interests and/or other duties. There are no lock-up provisions regarding the disposal by any of the Directors of any Ordinary Shares.

7.4 ***The Directors in the five years before the date of this Prospectus:***

(i) do not have any convictions in relation to fraudulent offences;

(ii) have not been associated with any bankruptcies, receiverships, liquidations or administrations of any partnership or company through acting in the capacity as a member of the administrative, management or supervisory body or as a partner, founder or senior manager of such partnership or company; and

(iii) do not have any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) and have not been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

The Company shall maintain directors' and officers' liability insurance on behalf of the Company at the expense of the Company.

7.5 ***Major Shareholders***

The Company shall issue a notice requiring disclosure of an interest in shares of 3 per cent. or more of the issued share capital of the Company and the Disclosure Guidance and Transparency Rules provide that certain persons (including shareholders) must notify the Company if the proportion of the Company's voting rights which they then hold directly or indirectly as a shareholder or through a direct or indirect holding of certain financial instruments reaches, exceeds or falls below thresholds of 3 per cent., 4 per cent., 5 per cent., 6 per cent., 7 per cent., 8 per cent., 9 per cent. and 10 per cent. and each 1 per cent. thereafter up to 100 per cent.

As at the date of this Prospectus, other than as set out below, there are no persons known to the Company who, directly or indirectly, will be interested in 3.0 per cent. or more of the Company's issued share capital or voting rights on Admission.

Shareholder	*Number of Ordinary Shares to be held*	*Percentage held (based on 253,483,695 Ordinary Shares being issued at Admission)*
Harmony Energy Limited[23]	23,483,695	9.26

The Ordinary Shares issued to the Shareholders described above will be subject to the provisions of the Lock-up and Orderly Market Deed.

As at the date of this Prospectus insofar as known to the Company, there are no parties known to have a notifiable interest under English law in the Company's capital or voting rights.

Pending the allotment of Ordinary Shares pursuant to the Initial Issue, the Company is controlled by the Investment Adviser as described in paragraph 3.1 of this Part 9. As at the date of this Prospectus the Company is not aware of any person who will directly or indirectly, jointly or severally, exercise or could exercise control over the Company. The Company and the Directors are not aware of any arrangement, the operation of which may at a subsequent date result in a change of control of the Company.

All Shareholders have the same voting rights in respect of shares of the same class in the share capital of the Company.

Major shareholders will not have any different voting rights from other shareholders.

7.6 ***Related party transactions***

As at the date of this Prospectus, other than:

(i) the proposed acquisition of the Seed Portfolio under the Seed Portfolio Share Purchase Agreement and (if applicable) one or more Pipeline Projects under the Pipeline Agreement;

(ii) the intercompany services agreement proposed to be entered into pursuant to the terms of the Seed Portfolio Share Purchase Agreement for the purposes of the provision by the Company, as supplier, of certain strategic and operational management services to the Seed Project Companies and any other subsidiaries of the Company from time to time who accede to the agreement by signing an accession agreement;

(iii) the Investment Advisory Agreement;

(iv) the performance by Harmony Energy of its obligations to the Company under the Pipeline Agreement;

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23 Harmony Energy will receive 23,483,695 Consideration Shares under the Seed Portfolio Share Purchase Agreement. Harmony Energy may also receive further Consideration Shares in respect of Subsequent Acquisitions (if any) which take place following Admission pursuant to the Pipeline Agreement.

(v) the intercompany loans between Harmony Energy and the Seed Project Companies in respect of costs incurred by Harmony Energy on behalf of the Seed Project Companies during the development phase of the Seed Projects, which will be repaid and discharged in full by or behalf of each Seed Project Company on completion of the Seed Portfolio Share Purchase Agreement (the "**Harmony Shareholder Loans**");

(vi) the Tesla Security in respect of the Pillswood Project, which will be replaced by the Replacement Tesla Security on completion of the Seed Portfolio Share Purchase Agreement;

(vi) the Lock-up and Orderly Market Deed; and

(vii) the directors' letters of appointment (as described in paragraph 7.2 above),

the Company is not a party to, nor has any interest in, any related party transaction (as defined in the standards adopted according to the Regulation (EC) No. 1606/2002).

Senior management of Harmony Energy and their associates will subscribe for 2,500,000 Ordinary Shares pursuant to the Initial Issue.

The Directors have agreed to invest approximately £25,000 in aggregate pursuant to the Initial Issue.

Harmony Energy will receive Consideration Shares in respect of the sale of (i) the Seed Portfolio to the Company under the Seed Portfolio Share Purchase Agreement, representing 9.26 per cent. of the Company's issued Ordinary Share capital following the Initial Issue assuming that the Target Gross Proceeds are raised and (ii) (if applicable) one or more Pipeline Projects under the Pipeline Agreement.

8. Material contracts

The following is a summary of each material contract, other than contracts entered into in the ordinary course of business, to which the Company is a party or which contains any provision under which the Company has any obligation or entitlement which is material to it at the date of this Prospectus.

8.1 *AIFM Agreement*

Under a management agreement dated 14 October 2021 between (1) the Company and (2) the AIFM, the AIFM has agreed to act as alternative investment fund manager in consideration for a management fee at the annual rate of 0.03 per cent. of the Company's equity capital raised, such fee being payable quarterly in arrears and subject to a minimum annual fee of £30,000. Subsequent secondary issues of shares of the Company in the primary market will be supported on a time spent basis, subject to a cap of £10,000 per each such issue. Other significant non-routine not specified in the AIFM Agreement as being covered by the management fee may be a charged for on a time spent basis.

The Company will also reimburse the AIFM for out-of-pocket expenses reasonably and properly incurred by the AIFM at the request of the Company, including the costs of any independent valuer appointed by the AIFM to assist in the AIFM's valuation function pursuant to the EU AIFM Directive or AIFM Applicable Laws (as defined below).

Subject to the terms of the AIFM Agreement, the AIFM will be responsible for all functions as constitute risk management and portfolio management in respect of the Company, including, among other services, the following services:

- assessing investment opportunities on the basis of expert advice from the Investment Adviser;
- analysing proposed investment opportunities to ensure they are in accordance with the Company's investment objective, investment policy and investment restrictions and advising the Directors on the same;
- analysing the performance of the investments held in the Portfolio on the basis of information provided by the Investment Adviser and advising the Company generally in relation to matters likely, or which might reasonably be considered likely, to affect the Company's investment objective, investment policy and investment restrictions;
- devoting such time and have all necessary competent personnel and equipment as may be required to enable it to carry out its obligations under the AIFM Agreement properly and efficiently;

- provision of risk management services as required by the UK AIFM Regime, including the implementation of risk management policies to identify, measure, manage and monitor the risks that the Company is or might be exposed to and ensuring that the Company's risk management policy and its implementation of the same comply with the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, together with the rules made thereunder (in particular; The Licensee (Conduct of Business) Rules 2016, The Licensees (Capital Adequacy) Rules 2010) and the AIFMD (Marketing) Rules, 2013 ("**AIFM Applicable Laws**");
- ensuring that the disclosures required to be made in respect of the Company under the EU AIFM Directive and the AIFM Applicable Laws are made;
- ensuring the Portfolio is valued in accordance with the EU AIFM Directive and AIFM Applicable Laws;
- upon written instructions from the Company, use all reasonable endeavours to satisfy the conditions set out in all applicable laws, if and to the extent required to market the Shares to EEA investors in any EEA state into which the Company intends to market;
- producing and publishing quarterly factsheets, which will include information on the Company's performance, holdings and investment activity, on the basis of information supplied by the Investment Adviser;
- providing such advice and assistance to the Company as it may reasonably request, including management and financial information;
- providing such information to the Administrator as it reasonably requests, and at such times and with such frequency as it shall reasonably request, to enable the Administrator to fulfil its duties under the Administration Agreement; and
- making available in person or by telephone (as may be requested by the Company) the services of an appropriate person to attend meetings of the Company's board quarterly or at such intervals as shall be agreed with the Company and preparing reports or other documents as reasonably requested by the Company in connection with such meetings.

The AIFM Agreement may be terminated by the Company or the AIFM giving to the other party not less than 6 months' written notice, to be effective no earlier than the date falling two years from the date of this Agreement. In any of the following circumstances either party is entitled immediately to terminate the AIFM Agreement by notice in writing to the other party:

- if the other party commits any material breach of any obligation on its part under the AIFM Agreement and (if such breach is capable of remedy) fails (within 30 days after having been required in writing by the other party so to do) to remedy such breach;
- if the other party is subject to certain insolvency events;
- if the AIFM exercises a right to terminate the Investment Advisory Agreement without the prior written approval of the Company;
- if the AIFM ceases to be licenced under Guernsey law; or
- if the continued performance of the AIFM Agreement becomes unlawful.

The Company has indemnified the AIFM and certain other indemnified persons from and against any and all direct claims and liabilities (including liabilities in contract, tort or otherwise), together with any associated and evidenced fees, costs, expenses or liabilities reasonably incurred or arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative (whether actual or threatened), by reason of such person being, or having been, an indemnified person under the AIFM Agreement, otherwise than as a result of negligence, fraud, wilful default or material breach of the AIFM Agreement or applicable law on the part of any indemnified person.

In the absence of fraud, the maximum aggregate liability of (i) on the one hand, the AIFM or any indemnified person under the AIFM Agreement or (ii) on the other hand, the Company, for any damage or other loss howsoever caused arising out of or in connection with the AIFM Agreement will be limited to the higher of £5,000,000 or an amount equal to ten times the annual fee payable to the AIFM under the AIFM Agreement (calculated in accordance with the fee payable in force and agreed at such time as an event happened to give rise to a claim, and not at the date such event is discovered).

The AIFM Agreement is governed by the laws of England and Wales.

8.2 ***Investment Advisory Agreement***

Under the terms of the Investment Advisory Agreement dated 14 October 2021 between (1) the Investment Adviser, (2) the Company and (3) the AIFM, the Investment Adviser will provide certain (i) investment advisory services to the AIFM, copied to the Company ("**Investment Advisory Services**"); and (ii) certain other services to the Company which are unrelated to investment advice, including development and day-to-day operation of the Projects ("**Asset Services**").

The Investment Advisory Services will include: (a) advising the AIFM on the Company's investments in accordance with the Company's investment objective, investment policy and investment restrictions and ESG policy, including making recommendations based on its expert opinion to the AIFM in respect of the purchase, sale or disposal of the Company's investments and arranging the purchase and sale of such investments in accordance with the AIFM's directions; (b) assisting in the preparation of periodic NAV calculations as provided for in this Prospectus and (c) preparing quarterly reports to be provided to the AIFM and the Board, including pursuant to the Company's ESG policy and any applicable KPIs pursuant to the Company's ESG policy from time to time and assisting the AIFM in respect of quarterly reporting to the Company's board of directors.

The Asset Services will include: (a) advising upon and facilitating the engagement by one or more Project Companies of independent third party suppliers and contractors to provide services ancillary to the construction, commissioning and ongoing management of the Projects; (b) certain project management and supervision services; (c) certain community and stakeholder services; (d) monitoring the policy and regulatory landscape for the battery energy storage sector and wider energy sector and interacting with National Grid ESO; (e) certain services in relation to permits, approvals and compliance; (f) certain OH&S and ESG services; and (g) certain technical and monitoring services.

The AIFM has appointed the Investment Adviser for an initial period of two years and thereafter the Investment Advisory Agreement is terminable on six months' notice by the Company and 12 months' notice by the Investment Adviser (or on immediate notice in certain customary circumstances).

The AIFM or the Company may terminate the Investment Advisory Agreement immediately on written notice to the other parties where:

(a) the Investment Adviser is in material breach of the Investment Advisory Agreement (and where such breach is capable of remedy the Investment Adviser fails to remedy the same within 30 days of being given written notice by the Company and/or the AIFM);

(b) the Investment Adviser is guilty of wilful misfeasance, negligence, a material breach of applicable law or fraud, as finally determined by a court or government body of competent jurisdiction, which determination is not subject to appeal;

(c) the Investment Adviser (i) becomes insolvent, (ii) is generally unable to pay, or fails to pay, its debts as they become due, (iii) files, or has filed against it, a petition for voluntary or involuntary bankruptcy or pursuant to any other insolvency law, (iv) makes or seeks to make a general assignment for the benefit of its creditors, or (v) applies for, or consents to, the appointment of a trustee, receiver or custodian for a substantial part of its property or business;

(d) Harmony Energy is in material breach of (i) the Pipeline Agreement or (ii) a share purchase agreement or equivalent sale and purchase agreement with the Company in respect of a Project, as (1) agreed or settled in writing by Harmony Energy and the Company or (2) finally determined by a court or government body of competent jurisdiction and any amount payable by Harmony Energy to the Company in respect of such agreement, settlement or determination is not paid by Harmony Energy within 30 days of the final due date for payment in accordance with the terms of such agreement, settlement or determination; or

(e) any two or more key persons (being Max Slade and Paul Mason at the date of this Prospectus) cease to be involved in the provision of Investment Advisory Services or Asset Services pursuant to this Agreement and are not replaced within 90 days by alternative persons approved by the Company and the AIFM in writing (provided such approval may not be unreasonably withheld or delayed).

The Investment Adviser may terminate the Investment Advisory Agreement immediately on written notice to the AIFM and the Company where the AIFM or the Company is:

(a) in material breach of this Investment Advisory Agreement (and where such breach is capable of remedy the AIFM or the Company, as applicable, fails to remedy the same within 30 days of being given written notice by the Investment Adviser);

(b) guilty of wilful misfeasance, negligence, a material breach of applicable law or fraud, as finally determined by a court or government body of competent jurisdiction, which determination is not subject to appeal; or

(c) (i) becomes insolvent, (ii) is generally unable to pay, or fails to pay, its debts as they become due, (iii) files, or has filed against it, a petition for voluntary or involuntary bankruptcy or pursuant to any other insolvency law, (iv) makes or seeks to make a general assignment for the benefit of its creditors, or (v) applies for, or consents to, the appointment of a trustee, receiver or custodian for a substantial part of its property or business,

PROVIDED THAT the Investment Adviser shall not be entitled to such termination rights in respect of any breach or default by, or event in respect of, the AIFM pursuant to (a), (b) and (c) above if the Company has taken reasonable steps to replace the AIFM in accordance with the AIFM Agreement within 30 days of being given written notice of the same by the Investment Adviser.

In consideration of its services under the Investment Advisory Agreement, the Investment Adviser will be paid a fee by the Company, which shall be payable monthly (*pro rata* for any period shorter than a calendar month) in arrears at the rate of:

(a) One twelfth of 0.9 per cent. per calendar month of the lesser of the (i) NAV or (ii) Average Market Capitalisation of the Company up to the threshold of £250,000,000; and

(b) One twelfth of 0.8 per cent. per calendar month of the lesser of the (i) NAV or (ii) Average Market Capitalisation of the Company in excess of £250,000,000,

for which purpose:

(i) "**Average Market Capitalisation**" means in relation to each calendar month where the fee is payable, the mean average of the Market Capitalisation for each London Stock Exchange trading day of the relevant month;

(ii) "**Market Capitalisation**" means for any day, the aggregate of: (i) the closing mid-market price of an Ordinary Share quoted by Bloomberg (or such other pricing service as may be agreed between the Company, the AIFM and the Investment Adviser from time to time) multiplied by the number of Ordinary Shares in issue as at 5.30 p.m. (London time) on such day, and (ii) (if relevant) the closing mid-market price of a C Share quoted by Bloomberg (or such other pricing service as may be agreed between the Company, the AIFM and the Investment Adviser from time to time) multiplied by the number of C Shares in issue as at 5.30 p.m. (London time) on such day; and

(iii) "**NAV**" means the last reported NAV of the Company at the date of calculation of the fee.

The Investment Adviser shall bear all of its own overhead costs and expenses (which includes rent, utilities, water, office furniture, fixtures and equipment, office supplies and other customary occupancy costs as well as the salaries, bonuses and benefits of personnel) in connection with providing the Investment Advisory Services and the Asset Services (as applicable), including all research.

The Company shall bear the Investment Adviser's reasonable expenses incurred in accordance with the making, or disposal of, investments on behalf of the Company including, but not limited to, investment-related expenses whether relating to investments that are consummated or unconsummated (e.g., costs, fees and other out-of-pocket expenses directly related to (i) the investigation and diligence of investment opportunities (whether or not consummated) and (ii) the sourcing, negotiation, structuring, acquisition, ownership, trading, monitoring, financing of Projects and other transaction costs, including travel expenses (including lodging and meals), transaction fees, broken-deal expenses, loan administration expenses, costs or expenses related to currency conversion, consulting, advisory, banking, sourcing, finder's, legal, licensing, valuation and other professional fees (and similar payments and compensation) relating to Projects, interest expenses, and

appraisal fees and expenses) (but excluding expenses and commissions in respect of research used to inform the Investment Adviser's advice in connection with investments).

The Investment Adviser will identify and manage conflicts of interest in accordance with the Conflicts Policy. The Investment Adviser has agreed not to provide services similar to the Investment Advisory Services or the Asset Services to any third party without the consent of the AIFM and the Company, as applicable. However, subject to (i) the Investment Adviser's obligations and the consent requirements described above, (ii) to their compliance with the procedures put in place pursuant to the Investment Advisory Agreement and other applicable conflict of interest procedures and protocols adopted by the Investment Adviser and (iii) to Harmony Energy's obligations and consent requirements of the Company in respect of Projects in Great Britain pursuant to the Pipeline Agreement, the shareholders, partners, managing directors, directors, officers and employees of the Investment Adviser shall be entitled to carry on other activities, including, without limitation, advising and/or otherwise collaborating with other clients who have similar investment strategies to the Company and pursuant to the contractual arrangements in respect of management and services to be provided by Harmony Energy in connection with (i) the Non-Pipeline Projects or (ii) any Projects which are duly offered to the Company pursuant to the Pipeline Agreement but which the Company does not for any reason (other than a breach of the Pipeline Agreement or any other agreement with the Company by Harmony Energy and/or RBE) acquire in accordance with the terms of the Pipeline Agreement.

The Company has also agreed to indemnify the Investment Adviser and certain other indemnified parties for losses that they may incur in connection with the Company or the Investment Advisory Agreement unless resulting from wilful misfeasance, negligence, material breach of the Investment Advisory Agreement or applicable law or fraud on the part of any indemnified party.

The Investment Adviser shall maintain professional indemnity insurance in such amount and on such terms as the Company and the AIFM may from time to time agree, which are appropriate and prudent for an investment manager providing services of the type provided to the Company and the AIFM pursuant to the Investment Advisory Agreement, and shall ensure the Company and the AIFM are provided with details of any such insurance in place from time to time, and shall immediately notify the Company and the AIFM of any circumstance which arises and may prejudice the availability of that insurance if the Company and / or the AIFM was to make a claim against the Investment Adviser.

The Investment Advisory Agreement is governed by the laws of England and Wales.

8.3 ***Administration Agreement***

Under the terms of the administration and company secretarial agreement with JTC (UK) Limited dated 14 October 2021, the Administrator will provide certain administration and secretarial services to the Company, including (i) working with the Company and any third parties in relation to preparing the Company for eligibility for Admission, (ii) opening bank accounts, (iii) setting up accounting ledgers, (iv) establishing and maintaining statutory registers, (v) reviewing corporate governance documentation and advising on the AIC Code and Corporate Governance Code, (vi) arranging certain insurances for the Directors, (vi) convening and providing secretarial services in relation to shareholders', board and committee meetings, (vii) preparing management, interim and annual accounts of the Company, (viii) preparing and submitting tax returns, (ix) provision of registered office services and (x) calculating the Net Asset Value.

For the provision of administration and secretarial services under the Administration Agreement, the Administrator is entitled to receive a set-up fee of £30,000 on Admission, together with annual fees of (i) £48,000 for accounting and administration services and (ii) £45,000 for governance and company secretarial services.

Additional fees will be payable by the Company to the Administrator on additional secondary raises by the Company (including issues of C Shares), on any update of the Key Information Document(s) and European MiFID Template (as developed and published by the European Fund and Asset Management Association) and in respect of any Board, committee or procedural meetings, in addition to the quarterly Board meetings, that may be held from time to time. The Company will also reimburse the Administrator for reasonable out of pocket expenses properly incurred by the Administrator in the performance of the services under the Administration Agreement, provided that the Administrator will be required to

seek prior approval in relation to any single expense in excess of £200. All fees charged by the Administrator are charged exclusive of VAT. All annual fees charged by the Administrator will be subject to an annual increase by reference to the U.K. Retail Price Index annually, commencing on the first anniversary of Admission.

The Administration Agreement may be terminated by either party serving the other party with 6 months' written notice such notice not to be given earlier than the date being 12 months from the date of Admission, or immediately (i) in the event of bankruptcy or liquidation of either party (other than a summary winding up or voluntary liquidation for the purpose of a reconstruction or amalgamation under terms previously approved in writing by agreement between the parties) or such party is unable to pay its debts or commits any act of bankruptcy or if a receiver is appointed or an event having equivalent effect occurs, (ii) if either party commits (a) any breach of the provisions of the Administration Agreement and shall, if capable of remedy, not have remedied the same within 30 days after the service of notice requiring it to be remedied, (b) breach of applicable law or regulation or (c) fraud, wilful misconduct or negligence (in such cases such right of termination lies with the non-defaulting party), (iii) if the continued performance of the Administration Agreement ceases to be lawful or (in the event of a material change of applicable law or regulation) requires material amendments to be made to the Administration Agreement which cannot be agreed prior to such change coming into force or (iv) if either party loses its registration, licence or authorisation required to perform or receive the services under the Administration Agreement. If there is a change of control of the Administrator or a relevant affiliate of the Administrator, the Administrator must notify the Company of the same and the Company may terminate the agreement by giving six months' notice following receipt of such notification. Either party may terminate by giving the other 6 months' written notice in circumstances where the Administrator has provided evidence and demonstrated to the Company that a change of law or regulation has affected its obligations making it uneconomical to provide the services and the parties have been unable to reach agreement on the level of remuneration.

The Administrator will be liable under the Administration Agreement only for any loss or damages incurred or suffered by the Company or any Project Company by reasons of the Administrator's breach of the Administration Agreement, negligence, wilful default, wilful misconduct or fraud. The Company will indemnify the Administrator and certain other indemnified parties against all losses and expenses suffered or incurred as a result of acting in good faith in reliance upon proper instructions or in respect of any act or omission in connection with the performance by the Administrator of its duties under the Administration Agreement, otherwise than as a result of the fraud, wilful default, wilful misconduct or negligence of any of them.

Where not excluded or otherwise limited, the liability of the Administrator shall be capped at £2,000,000.

The Administration Agreement is governed by the laws of England and Wales.

8.4 ***Placing Agreement***

In connection with the Initial Placing and Placing Programme, the Company, the Directors, the Investment Adviser and Berenberg entered into the Placing Agreement on 15 October 2021. The Placing Agreement is conditional on, among other things, Admission taking place on 9 November 2021 or such later date (not being later than 8.00 a.m. on 30 November 2021) as the Company and Berenberg may agree.

The principal terms of the Placing Agreement are as follows:

(i) Berenberg has agreed, as agent of the Company, to use its reasonable endeavours to procure (i) Placees to subscribe for Ordinary Shares under the Initial Placing at the Issue Price; and (ii) following Initial Admission, placees to subscribe for Ordinary Shares and/or C Shares pursuant to any Subsequent Placing at the applicable Placing Programme Price. The Initial Placing and the Placing Programme are not being underwritten;

(ii) Berenberg is entitled to a commission equal to 1.5 per cent. of the gross proceeds of the Initial Issue and any Subsequent Placing and shall be reimbursed for all reasonably and properly incurred costs in connection with the Initial Issue and any Subsequent Placing;

(iii) the Company has agreed to pay all of the properly incurred costs and expenses of and incidental to the Initial Issue and related arrangements together with any applicable VAT;

(iv) Berenberg shall be entitled at its discretion and out of its resources at any time to rebate to some or all investors, or to other parties, part or all of its fees relating to the Initial Issue and any Subsequent Placing;

(v) the Company has given certain warranties to Berenberg as to the accuracy of the information in this Prospectus and as to other matters relating to the Company. The Investment Adviser has also given certain warranties to Berenberg as to certain information in this Prospectus and as to itself and the Directors have given certain warranties in relation to themselves. The Company and the Investment Adviser have also given indemnities to Berenberg. The warranties and indemnities are standard for an agreement of this nature; and

(vi) Berenberg may at any time before the earliest of (i) the date on which all of the Shares available for issue under the Placing Programme have been issued and (ii) such other date as may be agreed between the parties, terminate the Placing Agreement in certain circumstances, including for breach of the warranties referred to above.

The Placing Agreement is governed by the laws of England and Wales.

8.5 ***Registrar Agreement***

The agreement for the provision of registry and associated services dated 14 October 2021 between the Company and the Registrar pursuant to which the Registrar has agreed to act as registrar to the Company.

Under the agreement, the Registrar is entitled to a fee calculated on the basis of the number of Shareholders and the number of transfers processed (exclusive of any VAT). In addition, the Registrar is entitled to certain other fees for ad hoc services rendered from time to time. The Registrar is also entitled to reimbursement of all out of pocket costs, expenses and charges properly incurred on behalf of the Company.

The Registrar Agreement is for an initial period of 24 months from the date of Initial Admission and thereafter shall automatically continue unless or until terminated by either party by written notice to the other party of at least six months such notice not to expire prior to the third anniversary of the commencement date. In addition, either party may terminate the Registrar Agreement:

(a) by service of six months' written notice should the parties not reach an agreement regarding any increase of the fees over the consumer price index payable under the Registrar Agreement; or

(b) upon service of written notice if the other party commits a persistent or material breach of its obligations under the Registrar Agreement (including any payment default) which that party has failed to remedy (if capable of being remedied) within 21 days of receipt of a written notice to do so from the first party; or

(c) upon service of a written notice if the other party goes into insolvency or liquidation (not being a members' voluntary winding up) or administration or a receiver is appointed over any part of its undertaking or assets provided that any arrangement, appointment or order in relation to such insolvency or liquidation, administration or receivership is not stayed, revoked, withdrawn or rescinded (as the case may be), within the period of 30 days, immediately following the first day of such insolvency or liquidation; or

(d) upon service of a written notice if the other party shall cease to have the appropriate authorisations, which permit it lawfully to perform its obligations envisaged by the Registrar Agreement at any time.

The Company has given certain market standard indemnities in favour of the Registrar in respect of the Registrar's potential losses in carrying on its responsibilities under the Registrar Agreement. The Registrar's liabilities under the Registrar Agreement are subject to a cap.

The Registrar Agreement is governed by the laws of England and Wales.

8.6 ***Receiving Agent Agreement***

The Receiving Agent Agreement dated 14 October 2021 between the Company and the Receiving Agent pursuant to which the Receiving Agent has agreed to act as receiving agent in connection with the Initial Issue. Under the terms of the agreement, the Receiving Agent is entitled to a project fee from the Company of £5,000 (exclusive of VAT) in connection with these services together with various processing fees. The Receiving Agent will also be entitled to reimbursement of all out-of-pocket expenses reasonably incurred by it in connection with its duties.

The Company has given certain market standard indemnities in favour of the Receiving Agent in respect of the Receiving Agent's potential losses in carrying on its responsibilities under the Receiving Agent Agreement. The Receiving Agent's liabilities under the Receiving Agent are subject to a cap.

The Receiving Agent Agreement is governed by the laws of England and Wales.

8.7 ***Seed Portfolio Share Purchase Agreement***

The Company has entered into a sale and purchase agreement with Harmony Energy dated 14 October 2021 in respect of the sale of 100 per cent. of the issued share capital in each Seed Project Company. Harmony Energy has given various warranties and undertakings in respect of, among other things, the business, assets and accounts of the Seed Project Companies as at the date of the Seed Portfolio Share Purchase Agreement, which will be deemed repeated at Initial Admission. Harmony Energy has also given a standard tax indemnity in respect of any tax liabilities that arise prior to completion of the Acquisition.

The sale and purchase of the shares under the Seed Portfolio Share Purchase Agreement is conditional upon:

(a) the Placing Agreement becoming unconditional in all respects (other than any condition relating to the completion of the Seed Portfolio Share Purchase Agreement or to Admission) and not being terminated;

(b) Initial Admission occurring; and

(c) the Seed Portfolio Share Purchase Agreement not having been terminated by the Company if a warranty in respect of any Seed Project becomes untrue, inaccurate or misleading in any material respect which has, or is reasonably likely to have, a material adverse effect on the Company's ability to achieve its target returns in respect of that Seed Project or rescinded for any reason.

Completion

Completion of the Seed Portfolio Share Purchase Agreement shall take place in escrow on 8 November 2021 or, if later, the Business Day following that on which all of the conditions (other than condition (b) described above) have been satisfied or waived, at which point the completion deliverables, including (i) stock transfer forms, (ii) the releases by Tesla in respect of the Tesla Security and the Replacement Security Documents signed by all parties other than the Company, (iii) certificates of title in respect of each property held by a Seed Project Company (other than the Rusholme Project, in respect of which the final signed certificate of title will be provided to the Company following registration of the title to the relevant property) and (iv) the novation of the Framework Agreement from Harmony Energy to the Company will be delivered to the Company but left undated and the Company will deliver its own completion deliverables, including (a) undated Replacement Security Documents and (b) the novation of the Framework Agreement from Harmony Energy to the Company. Actual completion shall take place automatically when Initial Admission occurs, at which time all the documents shall be automatically released from escrow and to the extent not dated shall be dated. If Initial Admission has not occurred on or before 30 November 2021, the Seed Portfolio Share Purchase Agreement shall automatically terminate.

Following novation of the Framework Agreement to the Company, the Company will be obliged to guarantee the Seed Project Companies' obligations under the final Project-specific contracts in respect of the Full EPC Wrap and Tesla Services to be provided by Tesla in respect of the Seed Projects (other than the Pillswood Project) pursuant to the Framework Agreement.

Consideration

The consideration for the Acquisition comprises the issue of the Consideration Shares on Initial Admission and the payment of the Cash Consideration, which shall be paid by the Company to Harmony Energy:

(i) as to the Cash Consideration of up to £14,971,919, less (a) an amount equal to 24.7 per cent. of the Cash Consideration attributable to each Seed Project Company other than the Pillswood Project Companies which already benefit from the Pillswood Tesla Contracts (the "**Deferred Consideration**") and (b) an amount equal to the aggregate amount payable by the Seed Project Companies in respect of the Harmony Shareholder Loans, being £3,221,110.51 at the date of this Prospectus;

(ii) as to £23,483,695, by the Company (a) allotting and issuing, credited as fully paid at the Issue Price, 23,483,694 Consideration Shares and (b) procuring the transfer by the Investment Adviser of its one Ordinary Share, to Harmony Energy on Initial Admission; and

(iii) as to the Deferred Consideration, in respect of the Deferred Consideration attributable to each Seed Project Company other than the Pillswood Project Companies, in cash within two Business Days of the execution of a final EPC contract by each Seed Project Company other than the Pillswood Project Companies, provided that the Deferred Consideration attributable to each Seed Project Company other than the Pillswood Project Companies shall be paid net of the amount (if any) by which the EPC costs in the final EPC contract executed by that Seed Project Company exceeds the anticipated EPC costs set out in the Seed Portfolio Share Purchase Agreement in respect of that Seed Project Company.

In the event that the Net Proceeds from the Initial Issue are insufficient to acquire all of the Seed Project Companies but Initial Admission still takes place, the Company may elect to purchase some but not all of the Seed Project Companies provided that:

(a) in no event shall the Company be required or permitted to acquire less than 100 per cent. of the share capital of any Seed Project Company;

(b) the Company shall apply the Net Proceeds first to acquiring 100 per cent. of the Pillswood Project Companies, and thereafter by acquiring 100 per cent. of those Seed Project Companies which are nominated by the Investment Adviser in the order in which they are expected to commence operations earliest, until there are insufficient Net Proceeds to acquire 100 per cent. of any more Seed Project Companies (any such Seed Project Companies which have not been acquired being "**Unsold Seed Project Companies**"); and

(c) any Unsold Seed Project Companies will automatically be treated as Exclusivity Projects for the purpose of the Pipeline Agreement.

On completion of the Seed Portfolio Share Purchase Agreement, the Company and each of the Seed Project Companies will enter into an intercompany services agreement for the purposes of the provision by the Company, as supplier, of certain strategic and operational management services to the Seed Project Companies and any other subsidiaries of the Company from time to time who accede to the agreement by signing an accession agreement and the Harmony Shareholder Loans will be repaid and discharged in full by or on behalf of each Seed Project Company.

In addition, the Company has a put and call option under the Seed Portfolio Share Purchase Agreement such that, should a Seed Project not proceed to Under Construction status under certain circumstances, the Company may require Harmony Energy to buy back the shares of the relevant Seed Project Company and transfer the entire issued share capital of one or more Pipeline Project Companies of the same value to the Company as a replacement Project, subject to independent valuation and due diligence on behalf of the Company.

The Seed Portfolio Agreement is governed by the laws of England and Wales.

8.8 ***Pipeline Agreement***

The Company has entered into an agreement with (1) Harmony Energy and (2) RBE in respect of the Pipeline Projects dated 14 October 2021, conditional on Initial Admission taking place, giving it:

(a) a right of first refusal to acquire 100 per cent. of the issued share capital of each Exclusivity Project Company, until the Company has been offered Shovel Ready Projects with an aggregate storage capacity equal to 1GW (less the aggregate capacity of the Seed Portfolio and including any Unsold Seed Project Companies but excluding the Non-Pipeline Projects); and

(b) a right of first offer to make an offer to acquire 100 per cent. of the issued share capital of each Extended Pipeline Project Company by way of notice in writing ("**ROFO Notice**"), provided that neither Harmony Energy nor RBE is obliged to accept the offer made in any such ROFO Notice.

Harmony Energy is party to a joint venture agreement with RBE dated 8 October 2021 pursuant to which Harmony Energy and RBE have agreed to fund, and Harmony Energy to conduct the development of, renewable energy and/or energy storage projects with the intention of developing such projects and offering the same to the Company for acquisition once they achieve Shovel Ready status, in accordance with the Pipeline Agreement. RBE is an investor in the renewables and environmental sector and became a shareholder of Harmony Energy in October 2020.

Exclusivity

The terms of the Pipeline Agreement provide that Harmony Energy and RBE shall be prohibited from selling any Pipeline Projects to any other party during the term of the agreement without offering them to the Company. In the case of Exclusivity Projects, if the Company notifies Harmony Energy and/or RBE (as the case may be) that it wishes to invest in an Exclusivity Project once the Project has become Shovel Ready, then the Company will be entitled to acquire the relevant Exclusivity Project Company pursuant to the Pro Forma Share Purchase Agreement.

Each of HEL and RBE has further severally (and not jointly and severally) agreed not to provide services similar to the Investment Advisory Services or the Asset Services (as defined in the Investment Advisory Agreement) to any third party in respect of any Projects located in Great Britain without the consent of the Company.

Subject to (i) Harmony Energy's and RBE's obligations and the consent requirements described in the foregoing paragraph and (ii) the Investment Adviser's compliance with (a) its obligations, and the procedures put in place pursuant to, the Investment Advisory Agreement and (b) other applicable conflict of interest procedures and protocols adopted by the Investment Adviser, the shareholders, partners, managing directors, directors, officers and employees of Harmony Energy and RBE ("**Relevant Personnel**") shall be entitled to carry on other activities, including, without limitation, advising and/or otherwise collaborating with other clients who have similar investment strategies to the Company, and nothing in the Pipeline Agreement shall prevent any Relevant Personnel from performing their obligations pursuant to the contractual arrangements in respect of management and services to be provided by Harmony Energy or RBE using the Relevant Personnel in connection with (i) the Existing Projects, (ii) any Pipeline Projects in respect of which the exclusivity period has expired in accordance with the terms of the Pipeline Agreement without the relevant Project Company being acquired by the Company in accordance with the terms of the Pipeline Agreement (other than by reason of a breach of the Pipeline Agreement or any other agreement with the Company by Harmony Energy and/or RBE) (iii) any battery energy storage projects or renewable energy generation projects located outside Great Britain, and (iv) between Harmony Energy and RBE themselves in relation to the development of Pipeline Projects to be offered to the Company in accordance with the Pipeline Agreement.

Pipeline Company Acquisition Consideration

The consideration for the acquisition of each Pipeline Project Company ("**Pipeline Company Acquisition Consideration**") shall be an amount equal to:

(1) in respect of each Exclusivity Project (other than the Advanced Project and any Unsold Seed Project Companies), an amount equal to:

  (a) the Exclusivity Project Cash Consideration, to be paid in cash; plus

  (b) the Exclusivity Project Consideration Share Amount, to be paid in Consideration Shares to be issued at a price equal to the higher of (i) the most recent published NAV per Ordinary Share or (ii) the average of the last ten Business Days' closing price per Ordinary Share, in

each case (i) at the date of entry into and completion of the relevant Pipeline Project Share Purchase Agreement and (ii) in accordance with the terms of the relevant Pipeline Project Share Purchase Agreement;

(2) in respect of the Advanced Project (and any Unsold Seed Project Company), an amount equal to the Advanced Project Acquisition Consideration, to be paid in accordance with the terms of the relevant Pipeline Project Share Purchase Agreement; and

(3) in respect of each Extended Pipeline Project, the Extended Pipeline Company Acquisition Consideration,

Where:

"**Advanced Project Acquisition Cash Consideration**" means an amount equal to £750,000 per MW capacity of the Advanced Project (or Unsold Seed Project Company), less:

(i) the Advanced Project Consideration Share Amount; and

(ii) the Initial Investment in respect of the Advanced Project (or Unsold Seed Project Company);

"**Advanced Project Acquisition Consideration**" means:

(a) the Advanced Project Acquisition Cash Consideration, to be paid in cash on completion of the relevant Pipeline Project Share Purchase Agreement; plus

(b) the Advanced Project Consideration Share Amount, to be paid by the issue of Consideration Shares at a price equal to the higher of (i) the last published NAV per Ordinary Share or (ii) the average of the last ten Business Days' closing price per Ordinary Share, in each case at the date of entry into and completion of the relevant Pipeline Project Share Purchase Agreement,

in accordance with the terms of the relevant Pipeline Project Share Purchase Agreement;

"**Advanced Project Consideration Share Amount**" means an amount equal to £109,500 per MW capacity of the Advanced Project (or Unsold Seed Project Company);

"**Exclusivity Project Consideration Share Amount**" means an amount equal to 15 per cent. of the Project Value;

"**Exclusivity Project Cash Consideration**" means, in respect of each Exclusivity Project, the amount in cash equal to the Project Value, less:

(i) the Initial Investment in respect of that Project; and

(ii) the Exclusivity Project Consideration Share Amount;

"**Extended Pipeline Company Acquisition Consideration**" means such consideration as is specified by the Company in the ROFO Notice in respect of that Extended Pipeline Project;

"**Initial Investment**" means, in respect of each Exclusivity Project, the aggregate of:

(i) asset due diligence costs payable by the relevant Exclusivity Project Company;

(ii) EPC costs payable to Tesla (or another EPC contractor from time to time);

(iii) other construction costs payable by the relevant Exclusivity Project Company (including rent payments during the construction period and construction insurance payments);

(iv) the Project construction contingency;

(v) grid connection costs payable by the relevant Exclusivity Project Company to the DNO or NGET as applicable; and

(vi) the aggregate amount of the seller loan to be repaid in accordance with the relevant Pipeline Project Share Purchase Agreement,

each as set out in the Project Financial Model in respect of that Exclusivity Project;

"**Project Financial Model**" means the financial model in respect of each Exclusivity Project in the format developed by HEL in relation to each Exclusivity Project as at the date of the relevant Pipeline Project Pipeline Agreement, as updated from time to time; and

"**Project Value**" means, in respect of each Exclusivity Project, the net present value of that Project, applying a 10 per cent. discount rate to the forecast cashflow in respect of the Project and calculated in accordance with the following formula:

$$\boldsymbol{NPV\ Amount} = \sum \left(\frac{\boldsymbol{Forecast\ Cashflow_i}}{(\mathbf{1} + \mathbf{10\%})^{\boldsymbol{D_i/365}}} \right)$$

Where:

Forecast Cashflow$_i$ is the forecast cashflow in respect of the relevant Exclusivity Project, as set out in the Project Financial Model and reviewed by the Valuer for the purposes of the relevant valuation opinion; and

Di is the number of calendar days over which such forecast cashflow is projected to be generated by the Exclusivity Project in the Project Financial Model.

Acquisition terms

The Subsequent Acquisition of any Exclusivity Project Companies shall be substantially on the terms of the Pro Forma Share Purchase Agreement, pursuant to which Harmony Energy or the Pipeline Sellers (as the case may be) will give various warranties and undertakings in respect of, among other things, the business, assets and accounts of the Pipeline Project Companies. Harmony Energy or the Pipeline Sellers (as the case may be) will also give a standard tax indemnity in respect of any tax liabilities that arise prior to completion of the Subsequent Acquisition(s).

The terms of any Subsequent Acquisition of an Extended Pipeline Project will be negotiated between the Company and Harmony Energy (acting on behalf of itself or the Pipeline Sellers, as the case may be) on an arm's length basis at the time of such Subsequent Acquisition, including as to quantum of consideration (see above) and payment of consideration (see below).

Payment of consideration

The Pipeline Company Acquisition Consideration in respect of each Exclusivity Project Company will be paid by the Company to Harmony Energy or the Pipeline Sellers (as the case may be):

(a) as to the (i) Exclusivity Project Cash Consideration or (ii) Advanced Project Acquisition Cash Consideration (as the case may be), in cash on completion of the relevant Subsequent Acquisition; and

(b) as to the (i) Exclusivity Project Consideration Share Amount or (ii) Advanced Project Consideration Share Amount, to be issued at a price equal to the higher of (i) the most recent published NAV per Ordinary Share or (ii) the average of the last ten Business Days' closing price per Ordinary Share, in each case, at the date of the relevant Pipeline Project Share Purchase Agreement.

The Pipeline Company Acquisition Consideration in respect of each Extended Pipeline Project Company will be paid by the Company to Harmony Energy or the Pipeline Sellers (as the case may be) in accordance with the terms negotiated between the parties and set out in the relevant Pipeline Project Share Purchase Agreement.

Non-Pipeline Projects

The Pipeline Agreement shall not apply to Projects developed by Harmony Energy which (i) have achieved Shovel Ready status and/or (ii) have become subject to binding contractual arrangements with third party investors and/or buyers prior to the date of this Prospectus which do not subsequently terminate in accordance with their terms (provided that, for the avoidance of doubt, the Seed Projects constitute the Seed Portfolio), being:

(i) the Holes Bay Project;

(ii) the Contego Project;

(iii) the Clay Tye Project (phase 1 and 2);

(iv) the Salisbury Project;

(v) the Driffield Project;

(vi) the Chapel Farm Project; and

(vii) the Jamesfield Project (phase 1 and 2).

Termination of Pipeline Agreement

The Pipeline Agreement shall terminate automatically on the earlier of:

(i) the long stop date under the Placing Agreement, if Initial Admission has not taken place by such date;

(ii) the liquidation, winding up or voluntary dissolution of the Company;

(iii) any Continuation Resolution not being put forward when due in accordance with the articles of association of the Company or being defeated;

(iv) termination of the Investment Advisory Agreement by the Company by reason of a material breach by Harmony Energy of (a) the Pipeline Agreement or (b) a Pipeline Project Share Purchase Agreement pursuant to the Company's right to terminate the Investment Advisory Agreement in such circumstances (as described in paragraph 8.2 above); or

(v) the date on which the Company notifies Harmony Energy in writing that it no longer intends to or has legal authority or capacity to acquire any more Projects, for which purpose the Company shall (subject to applicable law and regulations) keep Harmony Energy reasonably informed of its investment strategy and mandate.

The Pipeline Agreement is governed by the laws of England and Wales.

8.9 ***Lock-up and Orderly Market Deed***

Each of (1) the Company, (2) Berenberg and (3) Harmony Energy, RBE, Peter Kavanagh, Max Slade, Pete Grogan and Alex Thornton (the "**Locked-up Shareholders**") have entered into the Lock-up and Orderly Market Deed dated 14 October 2021 whereby each of the Locked-up Shareholders has agreed to certain restrictions on the disposal of their shares in the Company for a period following Initial Admission.

Each of the Locked-up Shareholders severally undertakes that:

(i) during the period of five years commencing on the date of Initial Admission, they will not dispose or enter into any agreement to dispose of any interest in their Shares (as acquired or subscribed for from time to time, including by way of Consideration Shares);

(ii) for a period of 12 months after the end of the five year period commencing on the date of Initial Admission, they will not dispose of any interest in their Shares other than through the Company's broker from time to time, subject to (a) being offered terms as to price and execution at least as favourable as those being offered by any other broker at that time or (b) the Company's broker being able to arrange for the sale or transfer of such Shares on a "best execution" basis within 5 Business Days after receiving a request to do so, failing which the Locked-up Shareholder shall be free to dispose of any interest in the Shares at its discretion after reasonable consultation with the Company and its broker; and

(iii) they will use all their reasonable endeavours to procure that any connected persons will adhere to the same restrictions in respect of any Shares in which such person has an interest.

The Lock-up and Orderly Market Deed also sets out certain circumstances in which the undertakings will not apply.

Each of the Locked-up Shareholders confirms to Berenberg and the Company that its Shares are beneficially owned and free from all liens, charges, encumbrances and third party rights.

The Lock-up and Orderly Market Deed is conditional upon Initial Admission and will terminate immediately if Initial Admission has not become effective on or before 30 November 2021.

The Lock-up and Orderly Market Deed is governed by the laws of England and Wales.

9. Significant Counterparties and collateral arrangements

The Company does not expect that 20 per cent. of the gross assets of the Company will be exposed to the creditworthiness or solvency of any one counterparty (including its subsidiaries or affiliates), save for:

9.1 NGET, which is a subsidiary of National Grid plc, and is the electricity transmission licensee that owns and operates the electricity transmission network in England and Wales. The system operator (responsible for, amongst other things, balancing the system) for Great Britain is National Grid Electricity System Operator Limited, which is also a subsidiary of National Grid plc. National Grid plc is a public limited company incorporated in England and Wales with company number 04031152. The registered office of National Grid is at 1-3 Strand, London WC2N 5EH. National Grid is admitted to the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities. National Grid is also listed on the New York Stock Exchange. National Grid is one of the largest companies in the UK (it is capitalised at approximately £32 billion and in the top 25 UK listed companies). NGET has a Moody's credit rating of Baa1; and

9.2 Tesla, which is a subsidiary of Tesla, Inc. of 3500 Deer Creek Road. Palo Alto, CA 94304 , California, United States of America. Tesla, Inc. is listed on Nasdaq with a market capitalisation of over US$700 billion.

Although the Company has not provided any collateral to Tesla as at the date of the Prospectus, the Pillswood Project Companies' obligations to Tesla under the Pillswood Tesla Contracts are secured by way of the Tesla Security. In connection with the Acquisition, as completion obligations under the Seed Portfolio Share Purchase Agreement, the Company and the Pillswood Project Companies will grant the Replacement Tesla Security to replace the Tesla Security.

10. Litigation

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had, in the recent past, significant effects on the Company or the Company's financial position or profitability since the Company's incorporation.

11. No significant change

As at the date of this Prospectus, there has been no significant change in the financial performance or financial position of the Company since its incorporation.

12. Third party information and consents

12.1 Berenberg, as financial adviser, sole global coordinator and bookrunner, has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which it appears.

12.2 Mazars LLP, as valuer, has given and not withdrawn its written consent to the inclusion in this Prospectus of the Valuation Opinion Letter in Part 5 (*Valuer's Opinion*) of this Prospectus and has authorised the contents of the Valuation Opinion Letter and the references to its name in the form and context in which they appear. Mazars LLP is the UK firm of Mazars Group, an international advisory and accountancy organisation, and is a limited liability partnership registered in England with registered number OC308299. Mazars LLP is registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales. Details about its audit registration can be viewed at www.auditregister.org.uk under reference number C001139861.

12.3 The AIFM has given and not withdrawn its written consent to the inclusion in this Prospectus of references to its name in the form and context in which they appear.

12.4 The Investment Adviser accepts responsibility for the information contained in Part 2 (*Market Background and Investment Opportunity*), Part 3 (*Seed Portfolio and Exclusivity Pipeline*) and paragraph 7 of Part 1 (*The Company*) of this Prospectus, and declares that, having taken all reasonable care to ensure that such is the case, the information attributed to it in this document is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. All such information (together with all other references to the Investment Adviser) is included in this document, in the form and context in which it appears, with the consent of the Investment Adviser.

12.5 Certain information contained in this Prospectus has been sourced from third parties. Where third party information has been referenced in this Prospectus, the source of that third party information has been disclosed. Such information has been accurately reproduced and, as far as the Company and the Investment Adviser is able to ascertain from information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

13. General

13.1 The Company is not dependent on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes which are material to the Company's business or profitability.

13.2 No application is being made for the Shares to be listed or dealt in on any stock exchange or investment exchange other than the London Stock Exchange.

13.3 The publication or delivery of this Prospectus shall not under any circumstances imply that the information contained in this Prospectus is correct as at any time subsequent to the date of this Prospectus or that there has not been any change in the affairs of the Company since that date.

13.4 As at the date of the Prospectus the Company has no subsidiaries but intends to form one or more subsidiaries for the purposes of its business.

14. Auditor

The auditor of the Company is Ernst & Young LLP, 1 More London Place, London SE1 2AF.

15. Working capital

15.1 In the Company's opinion, on the basis that the Minimum Net Proceeds are raised through the Initial Issue, the working capital available to it will be sufficient for its present requirements, that is for at least 12 months following the date of this Prospectus.

15.2 If the Minimum Net Proceeds are not raised, the Initial Issue may only proceed where a supplementary prospectus (including a working capital statement based on a revised minimum net proceeds figure) has been prepared in relation to the Company and approved by the FCA. In the event that the Company does not wish to prepare and publish a supplementary prospectus incorporating a working capital statement based on a revised minimum net proceeds figure the Initial Issue will not proceed, the arrangements in respect of the Initial Issue will lapse and any monies received in respect of the Initial Issue will be returned to applicants and Placees without interest at applicants'/investors' risk.

16. Capitalisation and indebtedness

16.1 As at the date of this Prospectus, (i) the capitalisation of the Company comprises £50,000.01 of share capital, as set out in paragraph 3.1 of this Part 9; and (ii) the Company has no guaranteed, secured, unguaranteed or unsecured debt.

16.2 The following table shows the Company's unaudited indebtedness (distinguishing between guaranteed and unguaranteed, secured and unsecured indebtedness) and the Company's unaudited capitalisation as at the date of this Prospectus:

	15 October 2021 £
Total current debt	
Guaranteed	0
Secured	0
Unguaranteed/unsecured	0
Total current debt	0
Non-current debt (excluding current portion of long-term debt)	
Guaranteed	0
Secured	0
Unguaranteed/unsecured	0
Total non-current debt	0

	15 October 2021 £
Shareholders' equity	
Share capital	50,000.01
Legal reserve	0
Other reserves	0
Total Shareholders' equity	50,000.01

As at the date of this Prospectus, there has been no material change in the unaudited capitalisation of the Company.

The following table shows the Company's unaudited net indebtedness as at the date of this Prospectus. There is no secured or guaranteed indebtedness.

	15 October 2021 £
A Cash	0
B Cash equivalent	0
C Trading Securities	0
D Liquidity (A) + (B) + (C)	0
E Current financial receivables	0
F Current bank debt	0
G Current position of non-current debt	0
H Other current financial debt	0
I Current financial debt (F) + (G) + (H)	0
J Net current financial indebtedness (I) – (E) – (D)	0
K Non-current bank loans	0
L Bonds issued	0
M Other non-current loan	0
N Non-current loans (K) + (L) + (M)	0
O Net financial indebtedness (J) + (N)	0

There are no indirect or contingent liabilities.

17. Availability of Prospectus

A copy of this Prospectus has been submitted to the National Storage Mechanism and is available for inspection at https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

18. Documents on display

The following documents will be available for inspection between 9.00 a.m. and 5.00 p.m. on any day (Saturdays, Sundays and public holidays excepted) at the offices of Fasken Martineau LLP, 15th Floor, 125 Old Broad Street, London EC2N 1AR, from the date of this Prospectus until the Initial Placing and Offer for Subscription close:

18.1 this Prospectus dated 15 October 2021;

18.2 the Memorandum and Articles; and

18.3 the Valuation Opinion Letter.

PART 10

TERMS AND CONDITIONS OF APPLICATION UNDER THE INITIAL PLACING AND THE PLACING PROGRAMME

1. Introduction

1.1 Each Placee which confirms its agreement (whether orally or in writing) to Berenberg to subscribe for Shares under the Initial Placing or any Subsequent Placing will be bound by these terms and conditions and will be deemed to have accepted them.

1.2 Berenberg may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it (in its absolute discretion) sees fit and may require any such Placee to execute a separate placing letter ("**Placing Letter**").

2. Agreement To Subscribe For Ordinary Shares and/or C Shares

2.1 Conditional on, amongst other things: (i) in respect of the Initial Placing only, Initial Admission occurring and becoming effective by 8.00 a.m. on or prior to 9 November 2021 (or such later time and/or date, not being later than 30 November 2021, as agreed by the Company, the Investment Adviser and Berenberg) and in relation to the Placing Programme, Admission or Ordinary Shares and/or C Shares (as the case may be) subscribed by Placees under the Placing Programme occurring and becoming effective by 8.00 a.m. on such date as may be agreed between the Company, the Investment Adviser and Berenberg prior to the closing of each placing under the Placing Programme; (ii) in respect of a Subsequent Placing only, Admission of the Shares issued pursuant to the relevant Subsequent Placing occurring and becoming effective by 8.00 a.m. on or prior to the date agreed by the Company, the Investment Adviser and Berenberg in respect of that Subsequent Placing, not being later than 14 October 2022; (iii) in the case of the Initial Placing, the Minimum Gross Proceeds (or such lesser amount as the Company, the Investment Adviser and Berenberg may agree) being raised; (iv) the Placing Agreement becoming otherwise unconditional in all respects in respect of the Initial Placing or the relevant Subsequent Placing, as applicable, and not having been terminated on or before the date of the Initial Placing or the relevant Subsequent Placing; and (v) Berenberg confirming to the Placees their allocation of Shares, a Placee agrees to become a Shareholder of the Company and agrees to subscribe for those Shares allocated to it by Berenberg at the Issue Price or the applicable Placing Programme Price, as the case may be. To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

2.2 Applications under the Initial Placing and any Subsequent Placing must be for a minimum subscription amount of £1,000.

2.3 Any commitment to acquire Shares under the Initial Placing and/or any Subsequent Placing agreed orally or in writing (including by email) with Berenberg, as agent for the Company, will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and Berenberg, to subscribe for the number of Shares allocated to it at the Issue Price or the applicable Placing Programme Price, as the case may be, on the terms and subject to the conditions set out in this Part 10 and the contract note or oral or email placing confirmation as applicable (for the purpose of this Part 10, the "**Contract Note**" or the "**Placing Confirmation**") and in accordance with the Articles. Except with the consent of Berenberg, such oral commitment will not be capable of variation or revocation after the time at which it is made.

2.4 Each Placee's allocation of Shares under the Initial Placing and/or any Subsequent Placing will be evidenced by a Contract Note or Placing Confirmation confirming: (i) the number of Shares that such Placee has agreed to acquire; (ii) the aggregate amount that such Placee will be required to pay for such Shares; and (iii) settlement instructions to pay Berenberg, as agent for the Company. The provisions as set out in this Part 10 will be deemed to be incorporated into that Contract Note or Placing Confirmation.

2.5 If Initial Admission does not occur the Initial Placing will lapse and all proceeds will be returned to Placees without interest and at the Placee's risk.

3. Payment For Shares

3.1 Each Placee undertakes to pay the Issue Price or Placing Programme Price (as the case may be) for the Shares issued to the Placee in the manner and by the time directed by Berenberg. In the event of any failure by any Placee to pay as so directed and/or by the time required by Berenberg, the relevant Placee's application for Shares may, at the discretion of Berenberg, either be accepted or rejected and, in the former case, paragraph 3.2 below shall apply.

3.2 Each Placee is deemed to agree that if it does not comply with its obligation to pay the Issue Price or Placing Programme Price (as the case may be) for the Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and Berenberg elects to accept that Placee's application, Berenberg may sell all or any of the Shares allocated to the Placee on such Placee's behalf and retain from the proceeds an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such Shares on such Placee's behalf.

3.3 Settlement of transactions in the Shares following Initial Admission will take place in CREST but Berenberg reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Placee (whether orally, in the Contract Note, Placing Confirmation or otherwise) or would not be consistent with the regulatory requirements in any Placee's jurisdiction.

4. Representations And Warranties

By agreeing to subscribe for Shares under the Initial Placing or a Subsequent Placing, each Placee which enters into a commitment to subscribe for Shares will (for itself and for any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be deemed to undertake, represent and warrant to each of the Company, Berenberg, the Investment Adviser, the AIFM and the Registrar that:

4.1 in agreeing to subscribe for Shares under the Initial Placing or a Subsequent Placing, it is relying solely on this Prospectus and any supplementary prospectus issued by the Company prior to Initial Admission or any Admission of the relevant Shares issued pursuant to any Subsequent Placing and not on any other information given, or representation or statement made at any time by any person concerning the Company, the Shares, the Initial Placing or a Subsequent Placing, including without limitation, the Key Information Documents. It agrees that none of the Company, Berenberg, the Investment Adviser, the AIFM or the Registrar, nor any of their respective officers, agents, employees or affiliates, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;

4.2 if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for Shares under the Initial Placing or a Subsequent Placing, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any such territory or jurisdiction and that it has not taken any action or omitted to take any action which will result in the Company, Berenberg, the Investment Adviser, the AIFM or the Registrar or any of their respective officers, agents, employees or affiliates acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Initial Placing and/or Subsequent Placing;

4.3 it has carefully read and understands this Prospectus in its entirety and acknowledges that it is acquiring Shares on the terms and subject to the conditions set out in this Part 10 and, as applicable, in the Contract Note or Placing Confirmation and the Articles as in force at the date of Initial Admission or the date of Admission in relation to the relevant Subsequent Placing (as the case may be);

4.4 the price payable per Share is payable to Berenberg on behalf of the Company in accordance with the terms of these terms and conditions and in the Contract Note or Placing Confirmation;

4.5 it has the funds available to pay for in full the Shares for which it has agreed to subscribe and it will pay the total subscription amount in accordance with the terms set out in these terms and conditions and as set out in the Contract Note or Placing Confirmation on the due time and date;

4.6 it has not relied on Berenberg or any person affiliated with Berenberg in connection with any investigation of the accuracy of any information contained in this Prospectus;

4.7 it acknowledges that the content of this Prospectus and any supplementary prospectus issued by the Company prior to Initial Admission or any Admission of the relevant Shares issued pursuant to any Subsequent Placing is exclusively the responsibility of the Company, the Directors and the Investment Adviser, and neither Berenberg nor any person acting on its behalf nor any of its affiliates are responsible for or shall have any liability for any information, representation or statement contained in this Prospectus or such supplementary prospectus or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Initial Placing or any Subsequent Placing based on any information, representation or statement contained in this Prospectus, such supplementary prospectus or otherwise;

4.8 it acknowledges that no person is authorised in connection with the Initial Placing or any Subsequent Placing to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus issued by the Company prior to Initial Admission or any Admission of the relevant Shares issued pursuant to any Subsequent Placing and, if given or made, any information or representation must not be relied upon as having been authorised by Berenberg, the Company, the Investment Adviser or the AIFM;

4.9 it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 (depository receipts and clearance services) of the Finance Act 1986;

4.10 its commitment to acquire Shares under the Initial Placing or any Subsequent Placing will be agreed orally or in writing (which shall include by email) with Berenberg as agents for the Company and that a Contract Note or Placing Confirmation will be issued by Berenberg as soon as possible thereafter. That oral or written agreement will constitute an irrevocable, legally binding commitment upon that person (who at that point will become a Placee) in favour of the Company and Berenberg to subscribe for the number of Shares allocated to it and comprising its Placing Commitment at the Issue Price or relevant Placing Programme Price (as the case may be) on the terms and conditions set out in this Part 10 and, as applicable, in the Contract Note or Placing Confirmation and the Placing Letter (if any) and in accordance with the Articles in force as at the date of Initial Admission or Admission of the relevant Shares issued pursuant to the relevant Subsequent Placing (as the case may be). Except with the consent of Berenberg such oral or written commitment will not be capable of variation or revocation after the time at which it is made;

4.11 its allocation of Shares under the Initial Placing or any Subsequent Placing will be evidenced by a Contract Note or Placing Confirmation, as applicable, confirming: (i) the number of Shares that such Placee has agreed to acquire; (ii) the aggregate amount that such Placee will be required to pay for such Shares; and (iii) settlement instructions to pay Berenberg as agent for the Company. The terms of this Part 10 will be deemed to be incorporated into that Contract Note or Placing Confirmation;

4.12 settlement of transactions in the Shares following Initial Admission or any of the relevant Shares issued pursuant to any Subsequent Placing (as the case may be) will take place in CREST but Berenberg reserves the right in its absolute discretion to require settlement in certificated form if, in its opinion, delivery or settlement is not possible or practicable within the CREST system within the timescales previously notified to the Placee (whether orally, in the Contract Note or Placing Confirmation, in the Placing Letter or otherwise) or would not be consistent with the regulatory requirements in any Placee's jurisdiction;

4.13 it accepts that none of the Shares have been or will be registered under the securities laws, or with any securities regulatory authority of, the United States, Australia, Canada, the Republic of South Africa or Japan (each a "**Restricted Jurisdiction**"). Accordingly, the Shares may not be offered, sold, issued

or delivered, directly or indirectly, within any Restricted Jurisdiction unless an exemption from any registration requirement is available;

4.14 if it is within the United Kingdom, it is (a) a person who falls within (i) Articles 49(2)(A) to (D) or (ii) Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (the "**Order**") or is a person to whom the Shares may otherwise lawfully be offered under such Order, or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, that it is a person to whom the Shares may be lawfully offered under that other jurisdiction's laws and regulations, and (b) a qualified investor (as such term is defined in Article 2(e) of the Prospectus Regulation), and (c) a person to whom the Shares may lawfully be marketed under the UK AIFM Regime;

4.15 if it is resident in a Relevant State, it is (a) a qualified investor within the meaning of Article 2(e) of the EEA Prospectus Regulation and (b) it is a person to whom the Shares may lawfully be marketed under the EU AIFM Directive or under the applicable implementing legislation (if any) of such Relevant State;

4.16 if it is in Guernsey, it is a person licensed under any of the POI Law, or the Banking Supervision (Bailiwick of Guernsey) Law, 1994, or the Insurance Business (Bailiwick of Guernsey) Law, 2002, or the Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 (and in each case any statutory modification or re-enactment thereof for the time being in force);

4.17 if it is a professional investor (as such term is given meaning in the EU AIFM Directive) resident, domiciled in, or with a registered office in the EEA, it confirms that the Shares have only been promoted, offered, placed or otherwise marketed to it, and the subscription will be made from, (a) a country outside the EEA; (b) a country in the EEA that has not transposed the EU AIFM Directive as at the date of the Placee's commitment to subscribe is made; or (c) a country in the EEA in respect of which the AIFM has confirmed that it has made a relevant national private placement regime notification and is lawfully able to market Shares into that EEA country;

4.18 in the case of any Shares acquired by an investor as a financial intermediary as that term is used in Article 5(2) of the Prospectus Regulation or the EEA Prospectus Regulation (as the case may be): (i) the Shares acquired by it in the Initial Placing or the relevant Subsequent Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant State other than qualified investors, as that term is defined in the Prospectus Regulation or the EEA Prospectus Regulation (as the case may be), or in circumstances in which the prior consent of Berenberg has been given to the offer or resale; or (ii) where Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the EEA Prospectus Regulation as having been made to such persons;

4.19 it: (i) is entitled to subscribe for the Shares under the laws of all relevant jurisdictions; (ii) has fully observed the laws of all relevant jurisdictions; (iii) has the requisite capacity and authority and is entitled to enter into and perform its obligations as a subscriber for Shares and will honour such obligations; and (iv) has obtained all necessary consents and authorities to enable it to enter into the transactions contemplated hereby and to perform its obligations in relation thereto;

4.20 it has not been engaged to acquire Shares on behalf of any other person who is not a Qualified Investor unless the terms on which it is engaged enable it to make decisions concerning the acceptance of offers of transferable securities on the client's behalf without reference to the client as described in section 86(2) of FSMA;

4.21 if it is outside the United Kingdom, neither this Prospectus nor any other offering, marketing or other material in connection with the Initial Placing and/or any Subsequent Placing (for the purposes of this Part 10, each a "**Placing Document**") constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Shares pursuant to the Initial Placing or any Subsequent Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;

4.22 it does not have a registered address in, and is not a citizen, resident or national of a Restricted Jurisdiction or any jurisdiction in which it is unlawful to make or accept an offer of the Shares and it is not acting on a non-discretionary basis for any such person;

4.23 if the investor is a natural person, such investor is not under the age of majority (18 years of age in the United Kingdom) on the date of such investor's agreement to subscribe for Shares under the Initial Placing or relevant Subsequent Placing (as the case may be);

4.24 it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person and acknowledges and agrees that no Placing Document is being issued by Berenberg in its capacity as an authorised person under section 21 of FSMA and such documents may not therefore be subject to the controls which would apply if they were made or approved as a financial promotion by an authorised person;

4.25 it is aware of and acknowledges that it is required to comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Shares in, from or otherwise involving, the United Kingdom;

4.26 it is aware of the provisions of the Criminal Justice Act 1993 regarding insider dealing, the Market Abuse Regulation and the Proceeds of Crime Act 2002 and confirms that it has and will continue to comply with any obligations imposed by such statutes;

4.27 unless it is otherwise expressly agreed with the Company and Berenberg in the terms of the Initial Placing or any Subsequent Placing, it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other Placing Document to any persons within the United States or to any U.S. Persons, nor will it do any of the foregoing;

4.28 it represents, acknowledges and agrees to the representations, warranties and agreements as set out under the heading "United States Purchase and Transfer Restrictions" in paragraph 5 below;

4.29 no action has been taken or will be taken in any jurisdiction other than the United Kingdom that would permit a public offering of the Shares or possession of this Prospectus (and any supplementary prospectus issued by the Company), in any country or jurisdiction where action for that purpose is required;

4.30 it acknowledges that neither Berenberg nor any of their respective affiliates nor any person acting on its or their behalf is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Initial Placing or any Subsequent Placing or providing any advice in relation to the Initial Placing or any Subsequent Placing and participation in the Initial Placing or any Subsequent Placing is on the basis that it is not and will not be a client of Berenberg and that neither of Berenberg has any duties or responsibilities to it for providing protection afforded to their respective clients or for providing advice in relation to the Initial Placing or any Subsequent Placing (as applicable);

4.31 save in the event of fraud on the part of Berenberg, none of Berenberg, its ultimate holding company nor any direct or indirect subsidiary undertaking of such holding company, nor any of their respective directors, members, partners, officers and employees, shall be responsible or liable to a Placee or any of its clients for any matter arising out of Berenberg's roles as Financial Adviser, Sole Global Coordinator and Bookrunner or otherwise in connection with the Initial Placing or any Subsequent Placing and that where any such responsibility or liability nevertheless arises as a matter of law the Placee and, if relevant, its clients, will immediately waive any claim against any of such persons which the Placee or any of its clients may have in respect thereof;

4.32 it acknowledges that where it is subscribing for Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account: (i) to subscribe for the Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this Prospectus; and (iii) to receive on behalf of each such account any documentation relating to the Initial Placing or relevant Subsequent Placing (as applicable) in the form

provided by the Company and/or Berenberg. It agrees that the provision of this paragraph shall survive any resale of the Shares by or on behalf of any such account;

4.33 it irrevocably appoints any Director and any director of Berenberg to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the Shares for which it has given a commitment under the Initial Placing or any Subsequent Placing (as applicable), in the event of its own failure to do so;

4.34 it accepts that if the Initial Placing or relevant Subsequent Placing does not proceed or the relevant conditions to the Placing Agreement are not satisfied as regards the relevant placing or the Shares for which valid applications are received and accepted are not admitted to trading on the Specialist Fund Segment for any reason whatsoever, then none of Berenberg, the Company, the Investment Adviser or the AIFM, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;

4.35 in connection with its participation in the Initial Placing or any Subsequent Placing it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and terrorist financing and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations; or (ii) subject to the Money Laundering Directive on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing); or (iii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;

4.36 it acknowledges that due to anti-money laundering requirements, Berenberg, the Investment Adviser, the AIFM, the Registrar and/or the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Berenberg and/or the Company may refuse to accept the application and the subscription monies relating thereto. It holds harmless and will indemnify Berenberg and/or the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been requested has not been provided by it in a timely manner;

4.37 the Initial Placing will not proceed unless the Minimum Gross Proceeds (or such lesser amount as the Company, the Investment Adviser and Berenberg may agree) are raised;

4.38 that it is aware of, has complied with and will at all times comply with its obligations in connection with money laundering under the Proceeds of Crime Act 2002;

4.39 if it is acting as a "distributor" (for the purposes of Product Governance Requirements):

(i) it acknowledges that the Target Market Assessment undertaken by Berenberg does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares and each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels;

(ii) notwithstanding any Target Market Assessment undertaken by Berenberg, it confirms that, other than where it is providing an execution-only service to investors, it has satisfied itself as to the appropriate knowledge, experience, financial situation, risk tolerance and objectives and needs of the investors to whom it plans to distribute the Shares and that it has considered the compatibility of the risk/reward profile of such Shares with the end target market; and

(iii) it acknowledges that the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income

or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom;

4.40 Berenberg, the Investment Adviser and the Company are entitled to exercise any of their rights under the Placing Agreement or any other right in their absolute discretion without any liability whatsoever to it;

4.41 the representations, undertakings and warranties contained in this Prospectus are irrevocable. It acknowledges that Berenberg, the Company, the Investment Adviser and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of Shares are no longer accurate, it shall promptly notify Berenberg and the Company;

4.42 where it or any person acting on behalf of it is dealing with Berenberg, any money held in an account with Berenberg on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require Berenberg to segregate such money, as that money will be held by Berenberg under a banking relationship and not as trustee;

4.43 any of its clients, whether or not identified to Berenberg, will remain its sole responsibility and will not become clients of Berenberg for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;

4.44 it accepts that the allocation of Shares shall be determined by Berenberg (in consultation with the Company and the Investment Adviser) and that they may scale down any Initial Placing or any Subsequent Placing for this purpose on such basis as they may determine;

4.45 time shall be of the essence as regards its obligations to settle payment for the Shares and to comply with its other obligations under the Initial Placing or relevant Subsequent Placing (as applicable);

4.46 it authorises Berenberg to deduct from the total amount subscribed under the Initial Placing or relevant Subsequent Placing (as applicable) the aggregate commission (if any) payable on the number of Shares allocated under the Initial Placing or relevant Subsequent Placing (as applicable);

4.47 in the event that a supplementary prospectus is required to be produced pursuant to section 87G FSMA and Article 23 of the Prospectus Regulation, and in the event that it chooses to exercise any right of withdrawal pursuant to Article 23(2) of the Prospectus Regulation or otherwise, such Placee will immediately re-subscribe for the Shares previously comprising its placing commitment;

4.48 the commitment to subscribe for Shares on the terms set out in these terms and conditions will continue notwithstanding any amendment that may in the future be made to the terms of the Initial Placing or any Subsequent Placing and that it will have no right to be consulted or require that its consent be obtained with respect to the Company's or Berenberg's conduct of the Initial Placing and/or any Subsequent Placing; and

4.49 it is capable of being categorised as a person who is a "professional client" or an "eligible counterparty" within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook.

5. United States Purchase And Transfer Restrictions

Unless it is otherwise expressly agreed with the Company and Berenberg, by participating in the Initial Placing or the relevant Subsequent Placing (as applicable), each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for Shares and any nominee(s) for any such person(s)) be further deemed to acknowledge, understand, undertake, represent and warrant to each of the Company, Berenberg, the Investment Adviser, the AIFM and the Registrar that:

5.1 it is not a U.S. Person, is not located within the United States, is acquiring the Shares in an offshore transaction meeting the requirements of Regulation S and is not acquiring the Shares for the account or benefit of a U.S. Person;

5.2 it acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons absent registration or an exemption from registration under the U.S. Securities Act;

5.3 it acknowledges that the Company has not registered under the U.S. Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the U.S. Investment Company Act;

5.4 unless the Company expressly consents in writing otherwise, no portion of the assets used to purchase, and no portion of the assets used to hold, the Shares or any beneficial interest therein constitutes or will constitute the assets of: (i) an "employee benefit plan" as defined in section 3(3) of ERISA that is subject to Part 4 of subtitle B of fiduciary responsibility or prohibited transaction Title I of ERISA; (ii) a "plan" as defined in section 4975 of the U.S. Tax Code, including an individual retirement account, that is subject to section 4975 of the U.S. Tax Code; or (iii) an entity whose underlying assets include the assets of any such "employee benefit plan" or "plans" by reason of ERISA or the U.S. Department of Labor Regulations, 29 C.F.R. 2510.3-101, as and to the extent modified by section 3(42) of ERISA (the "**Plan Assets Regulation**"), or otherwise (including certain insurance company general accounts) for the purposes of section 4.6 of ERISA or section 4975 of the U.S. Tax Code. In addition, if an investor is a governmental, church, non-U.S. or other employee benefit plan that is subject to any federal, state, local or non-U.S. law that is substantially similar to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or section 4975 of the U.S. Tax Code, its purchase, holding, and disposition of the Shares must not constitute or result in a non-exempt violation of any such substantially similar law;

5.5 if in the future the investor decides to offer, sell, transfer, assign or otherwise dispose of the Shares, it will do so only in compliance with an exemption from the registration requirements of the U.S. Securities Act and under circumstances which: (a) will not require the Company to register under the U.S. Investment Company Act; and (b) will not result in the assets of the Company constituting "plan assets" within the meaning of ERISA or the Plan Assets Regulation;

5.6 it will not be entitled to the benefits of the U.S. Investment Company Act;

5.7 it is knowledgeable, sophisticated and experienced in business and financial matters and it fully understands the limitations on ownership and transfer and the restrictions on sales of the Shares;

5.8 it is able to bear the economic risk of its investment in the Shares and is currently able to afford the complete loss of such investment and is aware that there are substantial risks incidental to the purchase of the Shares, including those summarised under the heading "Risk Factors" in this Prospectus;

5.9 that if any Shares offered and sold are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect unless otherwise determined by the Company in accordance with applicable law:

"HARMONY ENERGY INCOME TRUST PLC (THE "**COMPANY**") HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**U.S. INVESTMENT COMPANY ACT**"). IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS SECURITY, REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY EXCEPT IN AN OFFSHORE TRANSACTION PURSUANT TO RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT ("**REGULATION S**") TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A US PERSON, IF EITHER (1) AT THE TIME THE BUY ORDER ORIGINATED THE TRANSFEREE WAS OUTSIDE THE UNITED STATES, OR THE TRANSFEROR AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVED THE TRANSFEREE WAS OUTSIDE THE UNITED STATES OR

(2) THE SALE IS MADE IN A TRANSACTION EXECUTED IN A DESIGNATED OFFSHORE SECURITIES MARKET, AND TO A PERSON NOT KNOWN TO THE TRANSFEROR TO BE A US PERSON BY PRE-ARRANGEMENT OR OTHERWISE, AND UPON CERTIFICATION TO THAT EFFECT BY THE TRANSFEROR IN WRITING IN A FORM ACCEPTABLE TO THE ISSUER. THE TERMS "US PERSON", "OFFSHORE TRANSACTION" AND "DESIGNATED OFFSHORE SECURITIES MARKET" HAVE THE MEANINGS SET FORTH IN REGULATION S.

THE HOLDER OF THIS SECURITY AND ANY SUBSEQUENT TRANSFEREE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT (I) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR UNLESS IT ACQUIRES THE SECURITY ON OR PRIOR TO ADMISSION WITH THE WRITTEN CONSENT OF THE COMPANY, AND (II) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH SECURITY DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), OR SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986 (THE "**CODE**") AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-US OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-US LAW THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), (1) IT IS NOT, AND FOR SO LONG AS IT HOLDS SUCH SECURITY OR INTEREST THEREIN WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-US OR OTHER LAWS OR REGULATIONS THAT COULD CAUSE THE UNDERLYING ASSETS OF THE COMPANY TO BE TREATED AS ASSETS OF A SHAREHOLDER BY VIRTUE OF ITS INTEREST IN THE SECURITY AND THEREBY SUBJECT THE COMPANY (OR ANY PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE COMPANY'S ASSETS) TO ANY SIMILAR LAW AND (2) ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH" SECURITY WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY SIMILAR LAW AND (III) IT WILL AGREE TO CERTAIN TRANSFER RESTRICTIONS REGARDING ITS INTEREST IN SUCH SECURITIES. A "BENEFIT PLAN INVESTOR" MEANS (1) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF ERISA), SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (2) A PLAN TO WHICH SECTION 4975 OF THE CODE APPLIES, OR (3) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY.";

5.10 it is purchasing the Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the Shares in any manner that would violate the U.S. Securities Act, the U.S. Investment Company Act or any other applicable securities laws;

5.11 it acknowledges that the Company reserves the right to make inquiries of any holder of the Shares or interests therein at any time as to such person's status under the U.S. federal securities laws and to require any such person that has not satisfied the Company that the holding of Shares by such person will not violate or require registration under the U.S. securities laws to transfer such Shares or interests in accordance with the Articles;

5.12 the Company is required to comply with the U.S. Foreign Account Tax Compliance Act of 2010 and any regulations made thereunder or associated therewith (for the purposes of this Part 10, "**FATCA**") and that the Company will follow FATCA's extensive reporting and withholding requirements. The Placee agrees to furnish any information and documents which the Company may from time to time request, including but not limited to information required under FATCA;

5.13 it is entitled to acquire the Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the Shares and that it has not taken any action, or omitted to take any action, which may result in the Company, Berenberg, the Investment Adviser, the AIFM or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with its acceptance of participation in the Initial Placing and/or any Subsequent Placing (as the case may be);

5.14 it has received, carefully read and understands this Prospectus, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this Prospectus or any other presentation or offering materials concerning the Shares to or within the United States or to any U.S. Persons, nor will it do any of the foregoing;

5.15 it understands that this Prospectus (and any supplementary prospectus issued by the Company) has been prepared according to the disclosure requirements of the United Kingdom, which are different from those of the United States; and

5.16 if it is acquiring any Shares as a fiduciary or agent for one or more accounts, it has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

The Company, Berenberg, the Investment Adviser, the AIFM and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements. If any of the representations, warranties, acknowledgments or agreements made by the investor are no longer accurate or have not been complied with, the investor must immediately notify the Company and Berenberg.

6. Supply of Information

If Berenberg, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for Shares under the Initial Placing and/or Subsequent Placing, such Placee must promptly disclose it to them.

7. Money Laundering

Each Placee acknowledges and agrees that:

7.1 in connection with its participation in the Initial Placing and/or the relevant Subsequent Placing (as the case may be) it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering and terrorist financing ("**Money Laundering Legislation**") and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations in force in the United Kingdom; or (ii) subject to the Money Laundering Directive; or (iii) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;

7.2 due to anti-money laundering requirements, Berenberg, the AIFM, the Investment Adviser, the Registrar and the Company and/or their agents may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, Berenberg, the Company and/or their agents may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify Berenberg, the Company and/or their agents against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it or has not been provided on a timely basis.

8. Data Protection

8.1 Each Placee acknowledges that it has been informed that, pursuant to the DP Legislation the Company and/or the Registrar will, following Initial Admission, hold personal data (as defined in the DP Legislation) relating to past and present Shareholders. Personal data will be retained on record for a period exceeding six years after it is no longer used (subject to any limitations on retention periods set out in applicable law). The Registrar will process such personal data at all times in compliance with DP Legislation and shall only process for the purposes set out in the Company's privacy notice

(the "**Purposes**") which is available for consultation on the Company's website at www.heitp.co.uk (the "**Privacy Notice**") which include to:

(i) process its personal data to the extent and in such manner as is necessary for the performance of its obligations under its respective service contracts, including as required by or in connection with the Placee's holding of Shares, including processing personal data in connection with credit and anti-money laundering checks on it;

(ii) communicate with it as necessary in connection with its affairs and generally in connection with its holding of Shares;

(iii) comply with the legal and regulatory obligations of the Company and/or the Registrar; and

(iv) process its personal data for the Registrar's internal administration.

8.2 Where necessary to fulfil the Purposes, the Company will disclose personal data to:

(i) third parties located either within, or outside of the United Kingdom or the EEA, if necessary for the Registrar to perform its functions, or when it is within its legitimate interests, and in particular in connection with the holding of Shares; or

(ii) its affiliates, the Registrar, the Investment Adviser or the AIFM and their respective associates, some of which may be located outside of the United Kingdom and the EEA.

8.3 Any sharing of personal data between parties will be carried out in compliance with the DP Legislation and as set out in the Company's Privacy Notice.

8.4 By becoming registered as a holder of Shares a person becomes a data subject (as defined under DP Legislation). In providing the Registrar with information, the Placee hereby represents and warrants to the Company and the Registrar that: (i) it complies in all material aspects with its data controller obligations under DP Legislation, and in particular, it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Company's Privacy Notice; and (ii) where consent is legally competent and/or required under DP Legislation the Placee has obtained the consent of any data subject to the Company and the Registrar and their respective affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes).

8.5 Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is a natural person, he or she has read and understood the terms of the Company's Privacy Notice.

8.6 Each Placee acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the Placee is not a natural person, it represents and warrants that:

(i) it has brought the Company's Privacy Notice to the attention of any underlying data subjects on whose behalf or account the Placee may act or whose personal data will be disclosed to the Company as a result of the Placee agreeing to subscribe for Shares under the Initial Placing or any Subsequent Placing; and

(ii) the Placee has complied in all other respects with all applicable DP Legislation in respect of disclosure and provision of personal data to the Company.

8.7 Where the Placee acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, he/she/it shall, in respect of the personal data it processes in relation to or arising in relation to the Initial Placing or the relevant Subsequent Placing, as the case may be:

(i) comply with all applicable DP Legislation;

(ii) take appropriate technical and organisational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of, or damage to, the personal data;

(iii) if required, agree with the Company and the Registrar, the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and

(iv) it shall immediately on demand, fully indemnify each of the Company and the Registrar and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect losses and loss of profits, business and reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Registrar in connection with any failure by the Placee to comply with the provisions set out above.

9. Miscellaneous

9.1 The rights and remedies of the Company, Berenberg, the Investment Adviser, the AIFM and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

9.2 On application, if a Placee is an individual, that Placee may be asked to disclose in writing or orally, his nationality. If a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Initial Placing and/or any Subsequent Placing will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

9.3 Each Placee agrees to be bound by the Articles once the Shares, which the Placee has agreed to subscribe for pursuant to the Initial Placing and/or the relevant Subsequent Placing, have been acquired by the Placee. The contract to subscribe for Shares under the Initial Placing or relevant Subsequent Placing (as the case may be) and the appointments and authorities mentioned in this Prospectus and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of Berenberg, the Company, the Investment Adviser and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.

9.4 In the case of a joint agreement to subscribe for Shares under the Initial Placing or a Subsequent Placing, references to a Placee in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

9.5 The Company, the Investment Adviser, the Registrar and Berenberg will rely upon the truth and accuracy of the foregoing representations, warranties, undertakings and acknowledgements in these terms and conditions. Each Placee which confirms its agreement to Berenberg to subscribe for Shares agrees to indemnify and hold each of the Company, the Investment Adviser, the Registrar, Berenberg and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of any breach of the representations, warranties, undertakings, agreements and acknowledgements in this Part 10.

9.6 Berenberg and the Company expressly reserve the right to modify the Initial Placing and/or any Subsequent Placing (including, without limitation, their timetable and settlement) at any time before allocations are determined. The Initial Placing and each Subsequent Placing is subject to the satisfaction of the conditions contained in the Placing Agreement and the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained in paragraph 8.4 of Part 9 of this Prospectus.

PART 11

TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION

1. Introduction

1.1 Ordinary Shares are available under the Offer for Subscription at the Issue Price.

1.2 Applications must be made on the Application Form attached at the end of this Prospectus or otherwise published by the Company.

1.3 If you have any queries, please contact the Receiving Agent on +44 (0)370 703 6003. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Initial Issue nor give any financial, legal or tax advice.

2. Effect of Application

2.1 Applications under the Offer for Subscription must be for Ordinary Shares with a minimum subscription amount of £1,000 and thereafter in multiples of £100 or such lesser amount as the Company may determine (at its discretion). Multiple applications will be accepted.

3. Offer to Acquire Ordinary Shares

By completing and delivering an Application Form to the Receiving Agent, you, as the applicant, and, if you sign the Application Form on behalf of another person or a corporation, that person or corporation:

3.1 offer to subscribe for such number of Ordinary Shares at 100 pence per Ordinary Share as may be purchased by the subscription amount specified in the box in section 1 on your Application Form (being a minimum of £1,000 and thereafter in multiples of £100; or such smaller number for which such application is accepted) on the terms, and subject to the conditions, set out in this Prospectus, including these Terms and Conditions of Application and the Articles;

3.2 agree that, in consideration for the Company agreeing that it will not, prior to the date of Admission, offer for subscription any Ordinary Shares to any person other than by means of the procedures referred to in this Prospectus, your application may not be revoked (subject to any legal right to withdraw your application which arises as a result of the publication of a supplementary prospectus prior to Admission) and that this paragraph shall constitute a collateral contract between you and the Company which will become binding upon despatch by post to the Receiving Agent of your Application Form;

3.3 undertake to pay the subscription amount specified in the box in section 1 on your Application Form in full on application and warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to receive a share certificate for the Ordinary Shares applied for in certificated form or be entitled to commence dealing in Ordinary Shares applied for in uncertificated form or to enjoy or receive any rights in respect of such Ordinary Shares unless and until you make payment in cleared funds for such Ordinary Shares and such payment is accepted by the Receiving Agent (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Receiving Agent, the Company and Berenberg against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) avoid the agreement to allot the Ordinary Shares and may allot them to some other person, in which case you will not be entitled to any refund or payment in respect thereof (other than the refund by way of a cheque drawn on a branch of a UK clearing bank to the bank account name from which they were first received at your risk or direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn, for an amount equal to the proceeds of the remittance which accompanied your Application Form, without interest);

3.4 agree, that where on your Application Form a request is made for Ordinary Shares to be deposited into a CREST account (a "**CREST Account**"): (i) the Receiving Agent may in its absolute discretion amend the Application Form so that such Ordinary Shares may be issued in certificated form registered in the name(s) of the holder(s) specified in your Application Form (and recognise that the Receiving Agent will so amend the form if there is any delay in satisfying the identity of the applicant or the owner of the CREST Account or in receiving your remittance in cleared funds); and (ii) the Receiving Agent, the Company, or Berenberg may authorise your financial adviser or whoever he or she may direct to send a document of title for, or credit your CREST Account in respect of, the number of Ordinary Shares for which your application is accepted, and/or a crossed cheque for any monies returnable, by post at your risk to your address set out on your Application Form;

3.5 agree, in respect of applications for Ordinary Shares in certificated form (or where the Receiving Agent exercises its discretion pursuant to paragraph 3.4 above to issue Ordinary Shares in certificated form), that any share certificate to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled or pursuant to paragraph 3.4 above (and any monies returnable to you) may be retained by the Receiving Agent:

- pending clearance of your remittance;
- pending investigation of any suspected breach of the warranties contained in paragraphs 7.2, 7.6, 7.13, 7.14 or 7.15 below or any other suspected breach of these Terms and Conditions of Application; or
- pending any verification of identity which is, or which the Receiving Agent considers may be, required for the purpose of the Money Laundering Regulations and any other regulations applicable thereto;

and any interest accruing on such retained monies shall accrue to and for the benefit of the Company;

3.6 agree, on the request of the Receiving Agent to disclose promptly in writing to it such information as the Receiving Agent may request in connection with your application and authorise the Receiving Agent to disclose any information relating to your application which it may consider appropriate;

3.7 agree that if evidence of identity satisfactory to the Receiving Agent is not provided to the Receiving Agent within a reasonable time (in the opinion of the Receiving Agent) following a request therefor, the Receiving Agent or the Company may terminate the agreement with you to allot Ordinary Shares and, in such case, the Ordinary Shares which would otherwise have been allotted to you may be re-allotted or sold to some other party and the lesser of your application monies or such proceeds of sale (as the case may be, with the proceeds of any gain derived from a sale accruing to the Company) will be returned by a cheque drawn on a branch of a UK clearing bank to the bank account name from which they were first received, at your risk and without interest of any proceeds of the payment accompanying the application at your risk or direct to the bank account of the bank or building society on which the relevant cheque or banker's draft was drawn;

3.8 acknowledge that the Key Information Document relating to the Ordinary Shares prepared by the Company pursuant to the PRIIPs Regulation can be provided to you in paper or by means of a website, but that where you are applying under the Offer for Subscription directly and not through an adviser or other intermediary, unless requested in writing otherwise, the lodging of an Application Form represents your consent to being provided the Key Information Document via the Company's website (www.heitp.co.uk) or such other website as has been notified to you. Where your application is made on an advised basis or through another intermediary, the terms of your engagement should address the means by which such Key Information Document will be provided to you;

3.9 agree that you are not applying on behalf of a person engaged in money laundering;

3.10 undertake to ensure that, in the case of an application signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) is enclosed with your Application Form together with full identity documents for the person so signing;

3.11 undertake to pay interest at the rate described in paragraph 4 below if the remittance accompanying your Application Form is not honoured on first presentation;

3.12 authorise the Receiving Agent to procure that there be sent to you definitive certificates in respect of the number of Ordinary Shares for which your application is accepted or if you have completed the relevant payment method box in section 1 on your Application Form, but subject to paragraph 3.4 above, to deliver the number of Ordinary Shares for which your application is accepted into CREST, and/or to return any monies returnable without payment of interest (at the applicant's risk) either as a cheque by first class post to the address completed in section 2 on the Application Form or return funds direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn;

3.13 confirm that you have read and complied with paragraph 9 below;

3.14 agree that all subscription payments received by the Receiving Agent will be processed through a bank account in the name of "CIS PLC re Harmony Energy OFS" opened by the Receiving Agent;

3.15 agree that your Application Form is addressed to the Receiving Agent;

3.16 agree that your application must be for a whole number of Ordinary Shares and the number of Ordinary Shares issued to you will be rounded down to the nearest whole number;

3.17 acknowledge that the offer to the public of Ordinary Shares is being made only in the United Kingdom, Jersey, Guernsey and the Isle of Man and represent that you are a United Kingdom, Jersey, Guernsey or Isle of Man resident (unless you are able to provide such evidence as the Company may, in its absolute discretion, require that you are entitled to apply for Ordinary Shares); and

3.18 agree that any application may be rejected in whole or in part at the sole discretion of the Company.

4. Acceptance of Your Offer

The basis of allocation will be determined by the Company in consultation with Berenberg and the Investment Adviser. The right is reserved notwithstanding the basis as so determined to reject in whole or in part and/or scale back any application. The right is reserved to treat as valid any application not complying fully with these Terms and Conditions of Application or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Application Form where you have agreed with the Company in some other manner to apply in accordance with these Terms and Conditions of Application.

The Receiving Agent will present all cheques and banker's drafts for payment on receipt and will retain documents of title and surplus monies pending clearance of successful applicants' payments.

Payments must be in Sterling and paid by either cheque, bank transfer or DvP via CREST in accordance with this paragraph 4.

Fractions of Ordinary Shares will not be issued.

For applicants sending subscription monies by electronic bank transfer (CHAPS), payment must be made for value by no later than 11:00 a.m. on 3 November 2021.

Should you wish to apply for Ordinary Shares by DvP, you will need to match your instructions to those input by Computershare in favour of the Receiving Agent's Participant Account RA64 by no later than 1.00 p.m. on 8 November 2021, allowing for the delivery and acceptance of your Ordinary Shares to your CREST account against payment of the Issue Price in Sterling through the CREST system upon the relevant settlement date, following the CREST matching criteria set out in the Application Form.

Except as provided below, payments may be made by cheque or banker's draft drawn on an account where the applicant has sole or joint-title to the funds and on an account at a branch of a bank or building society in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or that has arranged for its cheques or bankers' drafts to be cleared through the facilities provided for members of either of those companies. Such cheques or bankers' drafts must bear the appropriate sort code in the top right hand corner. Cheques, which must be

drawn on the personal account of an individual applicant where they have sole or joint title to the funds, must be made payable to "CIS PLC re Harmony Energy OFS". Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping/endorsing the cheque or banker's draft to that effect or have provided a supporting letter confirming the source of funds. The account name should be the same as that shown on the Application Form.

Applicants paying by electronic bank transfer (CHAPS), payment must be made for value by no later than 11.00 a.m. on 3 November 2021. Applicants should contact Computershare at Harmonyenergy@computershare.co.uk or by telephoning the helpline on +44 (0)370 703 6003. Computershare will provide applicants with a unique reference number which must be used when making the payment together with the account details where payment should be sent Applicants must ensure that they remit sufficient funds to cover any charges incurred by their bank.

The account name for any electronic payment should be in the name that is given on your Application Form and payments must relate solely to your Application. It is recommended that such transfers are actioned within 24 hours of posting your application and be received by no later than 11.00 a.m. on 3 November 2021.

In some cases, as determined by the amount of your investment, the Receiving Agent may need to ask you to submit additional documentation in order to verify your identity and/or the source of funds for the purpose of satisfying its anti-money laundering obligations. If additional document is required in relation to your application, the Receiving Agent will contact you to request the information needed. The Receiving Agent cannot rely on verification provided by any third party including financial intermediaries. Ordinary Shares cannot be allotted if the Receiving Agent has not received satisfactory evidence and/or the source of funds, and failure to provide such evidence may result in a delay in processing your Application or your application being rejected.

Applicants choosing to settle via CREST, that is DVP, will need to input their instructions in favour of the Receiving Agent's Participant Account RA64 by no later than 1.00 p.m. on 8 November 2021, allowing for the delivery and acceptance of the Ordinary Shares to be made against payment of the Issue Price per Ordinary Share, following the CREST matching criteria set out in the Application Form.

5. Conditions

The contracts created by the acceptance of applications (in whole or in part) under the Offer for Subscription will be conditional upon:

- Admission occurring by 8.00 a.m. (London time) on 9 November 2021 or such later time or date as the Company, Berenberg and the Investment Adviser may agree (being not later than 8.00 a.m. on 30 November 2021);
- the Placing Agreement becoming otherwise unconditional (save as to Admission) and not being terminated in accordance with its terms at any time before Admission; and
- the Minimum Gross Proceeds (or such lesser amount as the Company, the Investment Adviser and Berenberg may agree) being raised.

You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other right you may have.

6. Return of Application Monies

Where application monies have been banked and/or received, if any application is not accepted in whole, or is accepted in part only, or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest (at the applicant's risk) either by first class post as a cheque to the address set out on the Application Form or returned direct to the account of the bank or building society on which the relevant cheque or banker's draft was drawn. In the meantime, application monies will be retained by the Receiving Agent in a separate account.

7. Warranties

By completing an Application Form, you:

7.1 undertake and warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person and that such other person will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions of Application and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;

7.2 warrant, if the laws of any territory or jurisdiction outside the UK, Jersey, Guernsey or Isle of Man are applicable to your application, that you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action or omitted to take any action which will result in the Company, the Investment Adviser, Berenberg or the Receiving Agent or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside of the UK in connection with the Offer for Subscription in respect of your application;

7.3 confirm that (save for advice received from your financial adviser (if any)) in making an application you are not relying on any information or representations in relation to the Company other than those contained in this Prospectus and any supplementary prospectus published prior to Admission (on the basis of which alone your application is made) and accordingly you agree that no person responsible solely or jointly for this Prospectus or such supplementary prospectus or any part thereof shall have any liability for any such other information or representation;

7.4 agree that, having had the opportunity to read this Prospectus and the Key Information Document relating to the Ordinary Shares each in its entirety, you shall be deemed to have had notice of all information and representations contained in this Prospectus and the Key Information Document relating to the Ordinary Shares;

7.5 acknowledge that no person is authorised in connection with the Offer for Subscription to give any information or make any representation other than as contained in this Prospectus and any supplementary prospectus published prior to Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the Investment Adviser, Berenberg or the Receiving Agent;

7.6 warrant that you are not under the age of 18 on the date of your application;

7.7 agree that all documents and monies sent by post to, by, from or on behalf of the Company or the Receiving Agent, will be sent at your risk and, in the case of documents and returned application cheques and payments to be sent to you, may be sent to you at your address (or, in the case of joint holders, the address of the first named holder) as set out in your Application Form;

7.8 confirm that you have reviewed the restrictions contained in paragraph 9 below and warrant that you (and any person on whose behalf you apply) comply with the provisions therein;

7.9 agree that, in respect of those Ordinary Shares for which your Application Form has been received and processed and not rejected, acceptance of your Application Form shall be constituted by the Company instructing the Registrar to enter your name on the Register;

7.10 agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Subscription shall be governed by and construed in accordance with the laws of England and Wales and that you submit to the jurisdiction of the English Courts and agree that nothing shall limit the right of the Company or the Receiving Agent to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law or in any court of competent jurisdiction;

7.11 irrevocably authorise the Company, Berenberg or the Receiving Agent or any other person authorised by any of them, as your agent, to do all things necessary to effect registration of any Ordinary Shares

subscribed by or issued to you into your name and authorise any representatives of the Company, Berenberg and/or the Receiving Agent to execute any documents required therefor and to enter your name on the Register;

7.12 agree to provide the Company with any information which it, Berenberg and/or the Receiving Agent may request in connection with your application or to comply with any other relevant legislation (as the same may be amended from time-to-time) including, without limitation, satisfactory evidence of identity to ensure compliance with the Money Laundering Regulations;

7.13 warrant and confirm that:

(i) you are not a person engaged in money laundering;

(ii) none of the monies or assets transferred or to be transferred to (or for the account of) the Company and its agents for the purposes of the subscription are or will be the proceeds of criminal activities or activities that would be criminal if carried out in the United Kingdom; and

(iii) you are not a prohibited individual or entity or resident in a prohibited country or territory listed on the United States Department of Treasury's Office of Foreign Assets Control ("**OFAC**") website and that you are not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC sanctions programmes;

7.14 warrant that, in connection with your application, you have observed the laws of all requisite territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any territory and that you have not taken any action which will or may result in the Company, the Investment Adviser, Berenberg and/or the Receiving Agent acting in breach of the regulatory or legal requirements of any territory in connection with the Offer for Subscription or your application;

7.15 represent and warrant to the Company that; (i) you are not a U.S. Person, are not located within the United States and are not acquiring the Ordinary Shares for the account or benefit of a U.S. Person; (ii) you are acquiring the Ordinary Shares in an offshore transaction meeting the requirements of Regulation S; (iii) you understand and acknowledge that the Ordinary Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, into or within the United States or to, or for the account or benefit of, U.S. Persons; and (iv) you understand and acknowledge that the Company has not registered and will not register as an investment company under the U.S. Investment Company Act;

7.16 represent and warrant to the Company that if in the future you decide to offer, sell, transfer, assign or otherwise dispose of the Ordinary Shares, you will do so only: (i) in an offshore transaction complying with the provisions of Regulation S under the U.S. Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person, by pre-arrangement or otherwise; or (ii) to the Company or a subsidiary thereof. You understand and acknowledge that any sale, transfer, assignment, pledge or other disposal made other than in compliance with the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;

7.17 agree that Berenberg and the Receiving Agent are acting for the Company in connection with the Offer for Subscription and for no-one else and that they will not treat you as their customer by virtue of such application being accepted or owe you any duties or responsibilities concerning the price of the Ordinary Shares or concerning the suitability of the Ordinary Shares for you or be responsible to you for the protections afforded to their customers;

7.18 warrant that you are not subscribing for the Ordinary Shares using a loan which would not have been given to you or any associate or not given to you on such favourable terms, if you had not been proposing to subscribe for the Ordinary Shares;

7.19 warrant that the information contained in the Application Form is true and accurate; and

7.20 agree that if you request that Ordinary Shares are issued to you on a date other than Admission and such Ordinary Shares are not issued on such date that the Company and its agents and Directors will have no liability to you arising from the issue of such Ordinary Shares on a different date.

8. Money Laundering

8.1 You agree that, in order to ensure compliance with the Money Laundering Regulations, the Proceeds of Crime Act 2002 and any other applicable regulations, the Receiving Agent may at its absolute discretion require verification of identity of you (the "**holder(s)**") as the applicant lodging an Application Form and further may request from you and you will assist in providing identification of:

- the owner(s) and/or controller(s) (the "**payor**") of any bank account not in the name of the holder(s) on which is drawn a payment by way of banker's draft or cheque; or
- where it appears to the Receiving Agent that a holder or the payor is acting on behalf of some other person or persons.

8.2 Any delay or failure to provide the necessary evidence of identity may result in your application being rejected or delays in crediting CREST accounts or the despatch of documents.

8.3 Without prejudice to the generality of this paragraph 8, verification of the identity of holders and payors will be required if the value of the Ordinary Shares applied for, whether in one or more applications considered to be connected, exceeds €15,000 (or the Sterling equivalent). If you use a building society cheque or banker's draft you should ensure that the bank or building society issuing the payment enters the name, address and account number of the person whose account is being debited on the reverse of the cheque or banker's draft and adds its stamp. If, in such circumstances, the person whose account is being debited is not a holder you will be required to provide for both the holder and payor an original or copy of that person's passport or driving licence certified by a solicitor and an original or certified copy of two of the following documents, no more than 3 months old, a gas, electricity, water or telephone (not mobile) bill, a recent bank statement or a council tax bill, in their name and showing their current address (which originals will be returned by post at the addressee's risk) together with a signed declaration as to the relationship between the payor and you, the applicant.

8.4 For the purpose of the Money Laundering Regulations, a person making an application for Ordinary Shares will not be considered as forming a business relationship with either the Company or with the Receiving Agent but will be considered as effecting a one-off transaction with either the Company or with the Receiving Agent

8.5 The Receiving Agent may undertake electronic searches for the purposes of verifying your identity. To do so the Receiving Agent may verify the details against your identity, but may also request further proof of your identity. The Receiving Agent reserves the right to withhold any entitlement (including any refund cheque) until such verification of identity is completed to its satisfaction.

9. Non-United Kingdom, Channel Island or Isle of Man Investors

9.1 The Offer for Subscription is only being made in the United Kingdom, Jersey, Guernsey and the Isle of Man. If you receive a copy of this Prospectus or an Application Form in any territory other than the United Kingdom, Jersey, Guernsey or the Isle of Man you may not treat it as constituting an invitation or offer to you, nor should you, in any event, use an Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to you or an Application Form could lawfully be used without contravention of any registration or other legal requirements. It is your responsibility, if you are outside the UK, Jersey, Guernsey or the Isle of Man and wish to make an application for Ordinary Shares under the Offer for Subscription, to satisfy yourself as to full observance of the laws of any relevant territory or jurisdiction in connection with your application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in such territory and paying any issue, transfer or other taxes required to be paid in such territory.

9.2 None of the Ordinary Shares have been or will be registered under the laws of Canada, Japan, Australia, the Republic of South Africa, any member state of the EEA or under the U.S. Securities Act or with any securities regulatory authority of any state or other political subdivision of the United States, Canada, Japan, Australia or the Republic of South Africa or any member state of the EEA. If you subscribe for Ordinary Shares you will, unless the Company and the Receiving Agent agree otherwise in writing, be deemed to represent and warrant to the Company that you are not a U.S. Person or a resident of Canada, Japan, Australia, the Republic of South Africa or any member state of the EEA, or a corporation, partnership or other entity organised under the laws of the U.S. or Canada (or any

political subdivision of either), Japan, Australia, the Republic of South Africa or any member state of the EEA and that you are not subscribing for such Ordinary Shares for the account of any U.S. Person or resident of Canada, Japan, Australia, the Republic of South Africa or any member state of the EEA and will not offer, sell, renounce, transfer or deliver, directly or indirectly, any of the Ordinary Shares in or into the United States, Canada, Japan, Australia, the Republic of South Africa or any member state of the EEA or to any U.S. Person or person resident in Canada, Japan, Australia, the Republic of South Africa or any member state of the EEA. No application will be accepted if it shows the applicant, payor or a holder having an address other than in the United Kingdom, Jersey, Guernsey or the Isle of Man.

10. Data Protection

10.1 Each applicant acknowledges that it has been informed that, pursuant to the DP Legislation the Company and/or the Registrar will following Admission, hold personal data (as defined in the DP Legislation) relating to past and present Shareholders. Personal data will be retained on record for a period exceeding six years after it is no longer used (subject to any limitations on retention periods set out in applicable law). The Registrar will process such personal data at all times in compliance with DP Legislation and shall only process for the purposes set out in the Company's privacy notice (the "**Purposes**") which is available for consultation on the Company's website at www.heitp.co.uk (the "**Privacy Notice**") which include to:

(i) process its personal data to the extent and in such manner as is necessary for the performance of its obligations under its respective service contracts, including as required by or in connection with the Placee's holding of Ordinary Shares, including processing personal data in connection with credit and anti-money laundering checks on it;

(ii) communicate with it as necessary in connection with its affairs and generally in connection with its holding of Ordinary Shares;

(iii) comply with the legal and regulatory obligations of the Company and/or the Registrar; and

(iv) process its personal data for the Registrar's internal administration.

10.2 Where necessary to fulfil the Purposes, the Company will disclose personal data to:

(i) third parties located either within, or outside of the United Kingdom or the EEA, if necessary for the Registrar to perform its functions, or when it is within its legitimate interests, and in particular in connection with the holding of Ordinary Shares; or

(ii) its affiliates, the Registrar or the Investment Adviser and their respective associates, some of which may be located outside of the United Kingdom and the EEA.

10.3 Any sharing of personal data between parties will be carried out in compliance with the DP Legislation and as set out in the Company's Privacy Notice.

10.4 By becoming registered as a holder of Ordinary Shares a person becomes a data subject (as defined under DP Legislation). In providing the Registrar with information, the applicant hereby represents and warrants to the Company and the Registrar that: (i) it complies in all material aspects with its data controller obligations under DP Legislation, and in particular, it has notified any data subject of the Purposes for which personal data will be used and by which parties it will be used and it has provided a copy of the Company's Privacy Notice; and (ii) where consent is legally competent and/or required under DP Legislation the applicant has obtained the consent of any data subject to the Company and Registrar and their respective affiliates and group companies, holding and using their personal data for the Purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes).

10.5 Each applicant acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the applicant is a natural person he or she has read and understood the terms of the Company's Privacy Notice.

10.6 Each applicant acknowledges that by submitting personal data to the Registrar (acting for and on behalf of the Company) where the applicant is not a natural person it represents and warrants that:

10.7 it has brought the Company's Privacy Notice to the attention of any underlying data subjects on whose behalf or account the applicant may act or whose personal data will be disclosed to the Company as a result of the applicant agreeing to subscribe for Ordinary Shares under the Offer for Subscription; and

10.8 the applicant has complied in all other respects with all applicable data protection legislation in respect of disclosure and provision of personal data to the Company.

10.9 Where the applicant acts for or on account of an underlying data subject or otherwise discloses the personal data of an underlying data subject, he/she/it shall, in respect of the personal data it processes in relation to or arising in relation to the Offer for Subscription:

(i) comply with all applicable DP Legislation;

(ii) take appropriate technical and organisational measures against unauthorised or unlawful processing of the personal data and against accidental loss or destruction of, or damage to the personal data;

(iii) if required, agree with the Company and the Registrar, the responsibilities of each such entity as regards relevant data subjects' rights and notice requirements; and

(iv) it shall immediately on demand, fully indemnify each of the Company and the Registrar and keep them fully and effectively indemnified against all costs, demands, claims, expenses (including legal costs and disbursements on a full indemnity basis), losses (including indirect losses and loss of profits, business and reputation), actions, proceedings and liabilities of whatsoever nature arising from or incurred by the Company and/or the Registrar in connection with any failure by the applicant to comply with the provisions set out above.

11. Miscellaneous

11.1 To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the Ordinary Shares and the Offer for Subscription.

11.2 The rights and remedies of the Company, the Investment Adviser, Berenberg and the Receiving Agent under these Terms and Conditions of Application are in addition to any rights and remedies which would otherwise be available to any of them and the exercise or partial exercise of one will not prevent the exercise of others.

11.3 The Company reserves the right to extend the closing time and/or date of the Offer for Subscription from 11.00 a.m. on 3 November 2021. In that event, the new closing time and/or date will be notified to applicants via an RIS.

11.4 The Company may terminate the Offer for Subscription in its absolute discretion at any time prior to Admission. If such right is exercised, the Offer for Subscription will lapse and any monies will be returned as indicated without interest.

11.5 You agree that Berenberg and the Receiving Agent are acting for the Company in connection with the Initial Issue and for no-one else, and that neither Berenberg nor the Receiving Agent will treat you as its customer by virtue of such application being accepted or owe you any duties concerning the price of the Ordinary Shares or concerning the suitability of the Ordinary Shares for you or otherwise in relation to the Initial Issue or for providing the protections afforded to their customers.

11.6 Save where the context requires otherwise, terms used in these Terms and Conditions of Application bear the same meaning as where used in the document.

PART 12

AIFMD – ARTICLE 23 DISCLOSURES

The UK AIFM Regime requires certain disclosures to be made by non-UK fund managers, such as the AIFM, when they market interests in an alternative investment fund to investors located in the United Kingdom.

In addition, the EU AIFM Directive imposes detailed and prescriptive obligations on fund managers established in the EEA (the "**Operative Provisions**"). These do not currently apply to fund managers established outside the EEA, such as the AIFM. Rather, non-EEA managers are only required to comply with certain disclosure, reporting and transparency obligations of the EU AIFM Directive (the "**Disclosure Provisions**") and, even then, only if the non-EEA manager markets shares in an alternative investment fund to EEA domiciled investors within the EEA. Where the Disclosure Provisions appear to require disclosure on an Operative Provision which does not apply to the Company, no meaningful disclosure can be made. These Operative Provisions include prescriptive rules on measuring and capping leverage in line with known European standards, the treatment of investors, liquidity management, the use of "depositaries" and cover for professional liability risks.

This Prospectus contains the information required to be made available to investors in the Company before they invest, pursuant to the UK AIFM Regime and the EU AIFM Directive. Article 23 of the EU AIFM Directive has been implemented in the United Kingdom through Chapter 3.2 of the Investment Funds sourcebook of the Financial Conduct Authority Handbook ("**FUND 3.2**"). The table below sets out information required to be disclosed pursuant to the FUND 3.2 and the EU AIFM Directive and related national implementing measures.

The Company and the AIFM have determined that the Company is not subject to the EU Sustainable Finance Disclosure Regulation. If it were subject to that regulation, the AIFM has determined that the Company would not be subject to Article 8 or Article 9 thereof.

This Prospectus contains solely that information that JTC Global AIFM Solutions Limited (as the alternative investment fund manager of the Company) is required to make available to investors pursuant to the UK AIFM Regime and the EU AIFM Directive and should not be relied upon as the basis for any investment decision.

REGULATORY REFERENCE		*DISCLOSURE REQUIREMENT*	*DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE*
EU AIFM Directive Article 23	*FUND 3.2.2R*		
1(a)	1(a)	a description of the investment strategy and objectives of the Company;	Information on the investment strategy and objectives of the Company are outlined in paragraphs 2 and 3 of Part 1 of this Prospectus.
1(a)	1(b)	if the Company is a feeder fund, information on where the master fund is established;	Not applicable.
1(a)	1(c)	if the Company is a fund of funds, information on where the underlying funds are established;	Not applicable.
1(a)	1(d)	a description of the types of assets in which the Company may invest;	The types of assets in which the Company may invest are outlined in paragraph 3 of Part 1 of this Prospectus.

REGULATORY REFERENCE		*DISCLOSURE REQUIREMENT*	*DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE*
EU AIFM Directive Article 23	*FUND 3.2.2R*		
1(a)	1(e)	the investment techniques that the Company may employ and all associated risks;	The investment techniques used by the Company are described in paragraphs 2 and 3 of Part 1 and paragraph 5 of Part 4 of this Prospectus. The section entitled "Risk Factors" (pages 10 to 32 inclusive) of this Prospectus provides an overview of the risks involved in investing in the Company.
1(a)	1(f)	any applicable investment restrictions;	The investment restrictions applicable to the Company are set out in paragraph 3 of Part 1 of this Prospectus under the heading "Investment Restrictions".
1(a)	1(g)	the circumstances in which the Company may use leverage;	The circumstances in which the Company may use leverage and the restrictions on the use of leverage are described under the heading "Borrowing Policy" on page 51.
1(a)	1(h)	the types and sources of leverage permitted and the associated risks;	The UK AIFM Regime and the EU AIFM Directive prescribes two methods of measuring and expressing leverage (as opposed to gearing) and requires disclosure of the maximum amount of 'leverage' the Company might be subject to. The definition of leverage is wider than that of gearing and includes exposures that are not considered to be gearing. The restrictions on the use of leverage are described under the heading "Borrowing Policy" on page 51. Whilst the Company may employ the use of derivatives, it is not envisaged that such derivatives will increase the level of leverage employed by the Company. The risks associated with such leverage are disclosed on page 13 under "Borrowing risk" in the "Risk Factors" section of this Prospectus.
1(a)	1(i)	the maximum level of leverage which the AIFM is entitled to employ on behalf of the Company;	Without prejudice to the foregoing (in compliance with the investment policy concerning gearing), the Company has set a maximum leverage limit of 49 per cent. (on both a "gross" and "commitment" basis). Certain risks associated with the Company's use of leverage are described on page 13 under "Borrowing risk" in the "Risk Factors" section of this Prospectus.
1(a)	1(j)	any collateral and asset reuse arrangements;	Although no such arrangements are currently in place, the circumstances in which collateral may be posted in favour of counterparties are disclosed are described under the heading "Borrowing Policy" on page 51.

REGULATORY REFERENCE		*DISCLOSURE REQUIREMENT*	*DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE*
EU AIFM Directive Article 23	*FUND 3.2.2R*		
1(b)	(2)	a description of the procedures by which the Company may change its investment strategy or investment policy, or both;	The Company will not make any material change to its published investment policy without the approval of the Shareholders by way of an ordinary resolution at a general meeting. Any change to the investment policy which does not amount to a material change to the investment policy may be made by the Company without the approval of the Shareholders.
1(c)	(3)	a description of the main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, the applicable law and the existence or absence of any legal instruments providing for the recognition and enforcement of judgments in the territory where the Company is established;	The Company is a company limited by shares, incorporated in England and Wales. While investors acquire an interest in the Company on subscribing for or purchasing Shares, the Company is the sole legal and/or beneficial owner of its investments. Consequently, Shareholders have no direct legal or beneficial interest in those investments. The liability of Shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the Shares held by them. Shareholders' rights in respect of their investment in the Company are governed by the Articles and the Companies Act. Under English law, the following types of claim may in certain circumstances be brought against a company by its shareholders: contractual claims under its articles of association; claims in misrepresentation in respect of statements made in its prospectus and other marketing documents; unfair prejudice claims; and derivative actions. In the event that a Shareholder considers that it may have a claim against the Company in connection with such investment in the Company, such Shareholder should consult its own legal advisers. *Jurisdiction and applicable law* As noted above, Shareholders' rights are governed principally by the Articles and the Companies Act. By subscribing for Ordinary Shares, investors agree to be bound by the Articles, which are governed by, and construed in accordance with, the laws of England and Wales.

REGULATORY REFERENCE		*DISCLOSURE REQUIREMENT*	*DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE*
EU AIFM Directive Article 23	*FUND 3.2.2R*		
			Recognition and enforcement of foreign judgments The UK has acceded to the Hague Convention on Choice of Courts Agreements 2005 (the "**Hague Convention**") which applies between the EU member states, Montenegro, Denmark, Mexico, Singapore and the UK and provides for the recognition of foreign judgments in respect of contracts which contain an exclusive jurisdiction clause. The Hague Convention does not, however, extend to contracts containing non-exclusive jurisdiction clauses, which typically permit the more dominant party to the contract to sue in the court of their choice while restricting the right of the less dominant party to the courts of a single country. The UK has also applied to re-join the Lugano Convention 2007 which would permit for the recognition of judgments based on contracts under the laws of member states regardless of whether the contract contains an exclusive or a non-exclusive choice of law clause in the states that are parties to that convention (i.e. EU member states and Iceland, Norway and Switzerland). However, each member of the Lugano Convention (EU, Iceland, Norway and Switzerland) has a veto on the accession of new members and UK accession may not occur.
1(d)	(4)	the identity of the AIFM, the auditor and any other service providers and a description of their duties and the investors' rights;	***The AIFM*** Pursuant to the AIFM Agreement, the Company has appointed JTC Global AIFM Solutions Limited to act as the Company's alternative investment fund manager. The AIFM will maintain responsibility for implementing appropriate portfolio and risk management standards and procedures for the Company and will also carry out the applicable requirements of the UK AIFM Regime and/or EU AIFM Rules. Further details of the AIFM Agreement are set out in paragraph 8.1 of Part 9 of this Prospectus (**General Information**). ***Depositary*** Not applicable.

REGULATORY REFERENCE		*DISCLOSURE REQUIREMENT*	*DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE*
EU AIFM Directive Article 23	*FUND 3.2.2R*		

The Investment Adviser:

The Company and the AIFM have appointed Harmony Energy Advisors Limited (the "Investment Adviser") pursuant to the Investment Advisory Agreement under which the Investment Adviser has agreed to provide certain investment advisory and ancillary services to the AIFM and the Company. The Investment Adviser also provides certain services to the Company under the Investment Advisory Agreement related to day to day management of the investments. Further details of the Investment Advisory Agreement are set out at paragraph 8.2 of Part 9 of this Prospectus (*General Information*).

Administrator:

JTC (UK) Limited will be responsible for the day to day administration and company secretarial functions of the Company (including but not limited to the maintenance of the Company's accounting records, the calculation and publication of Net Asset Value, and the production of the Company's annual and interim reports).

Registrar:

The Company will utilise the services of Computershare Investor Services plc as registrar in relation to the transfer and settlement of shares.

Receiving Agent:

The Company will utilise the services of Computershare Investor Services plc as receiving agent in relation to applications for shares and application monies.

Auditor:

Ernst & Young LLP will provide audit services to the Group. The auditor's principal responsibilities are to audit and express an opinion on the financial statements of the Company in accordance with applicable law and auditing standards. The annual report and accounts will be prepared according to accounting standards laid out under IFRS.

REGULATORY REFERENCE	*DISCLOSURE REQUIREMENT*	*DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE*
EU AIFM Directive Article 23	*FUND 3.2.2R*	

Investors' Rights

The Company is reliant on the performance of third party service providers, including the AIFM, the Investment Adviser, the Administrator, the Auditor and the Registrar.

Without prejudice to any potential right of action in tort that a Shareholder may have to bring a claim against a service provider, each Shareholder's contractual relationship in respect of its investment in Shares is with the Company only. Accordingly, no Shareholder will have any contractual claim against any service provider with respect to such service provider's default.

If a Shareholder considers that it may have a claim against a third party service provider in connection with such Shareholder's investment in the Company, such Shareholder should consult its own legal advisers.

The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 138D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 138D of the Financial Services and Markets Act 2000, or in tort, against any service provider in connection with their investment in the Company, should consult their legal adviser.

Shareholders who are "Eligible Complainants" for the purposes of the FCA "Dispute Resolutions Complaints" rules (natural persons, micro-enterprises and certain charities or trustees of a trust) are able to refer any complaints against FCA authorised service providers to the Financial Ombudsman Service ("**FOS**") (further details of which are available at www.fscs.org.uk). Additionally, Shareholders may be eligible for compensation under the Financial Services Compensation Scheme ("**FSCS**") if they have claims against an FCA authorised service provider which is in default. There are limits on the amount of compensation. Further information about the FSCS can be found at www.fscs.org.uk. To determine eligibility in relation to either the FOS or the FSCS, Shareholders should consult the respective websites above and speak to their legal adviser.

REGULATORY REFERENCE		*DISCLOSURE REQUIREMENT*	*DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE*
EU AIFM Directive Article 23	*FUND 3.2.2R*		
1(e)	(5)	a description of how the Company complies with the requirements referred to in article 9(7) of the EU AIFM Directive (Professional negligence) relating to professional liability risk;	The AIFM holds a professional indemnity insurance policy against liability arising from professional negligence which is in excess of £10 million.
1(f)	(6)	a description of:	
1(f)	6(a)	any management function delegated by the AIFM;	Not applicable.
1(f)	6(b)	any safe-keeping function delegated by the depositary;	Not applicable.
1(f)	6(c)	the identity of each delegate appointed in accordance with FUND 3.10 (Delegation); and	Not applicable.
1(f)	6(d)	any conflicts of interest that may arise from such delegations;	Not applicable.
1(g)	(7)	a description of the Company's valuation procedure and of the pricing methodology for valuing assets, including the methods used in valuing any hard-to-value assets, in line with article 19 of the EU AIFM Directive (Valuation);	A description of the Company's valuation procedures is outlined in paragraph 10 of Part 1 of this Prospectus.
1(h)	(8)	a description of the Company's liquidity risk management, including the redemption rights of investors in normal and exceptional circumstances, and the existing redemption arrangements with investors;	The Company is a closed-ended investment company incorporated in England and Wales on 1 October 2021. Shareholders are entitled to participate in the assets of the Company attributable to their Shares in a winding-up of the Company or other return of capital, but they have no rights of redemption. Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected. The Company will mitigate this risk by maintaining a balance between continuity of funding and flexibility using bank deposits and loans.

REGULATORY REFERENCE		*DISCLOSURE REQUIREMENT*	*DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE*
EU AIFM Directive Article 23	*FUND 3.2.2R*		
1(i)	(9)	a description of all fees, charges and expenses, and the maximum amounts directly or indirectly borne by investors;	The costs and expenses of, and incidental to, the Initial Issue will not exceed 2 per cent. of the Gross Proceeds (assuming Gross Proceeds of £230 million). The on-going annual expenses of the Company for the period from incorporation to 1 April 2023 relative to the Net Asset Value is expected to be approximately 1.3 per cent. Given that many of the fees are irregular in their nature, the maximum amount of fees, charges and expenses that Shareholders will bear in relation to their investment cannot be disclosed in advance.
1(j)	(10)	a description of how the AIFM ensures a fair treatment of investors;	The Directors of the Company have certain statutory duties with which they must comply. These include a duty upon each Director to act in the way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. The Company has voluntarily committed to comply with the FCA's Premium Listing Principles which require the Company to treat all Shareholders of a given class equally. The AIFM maintains a conflicts of interest policy to avoid and manage any conflicts of interest that may arise between it and the Company. No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any investors. The Ordinary Shares of each class rank *pari passu* with each other.
1(j)	11(a) to 11(c)	whenever an investor obtains preferential treatment or the right to obtain preferential treatment, a description of that preferential treatment, the type of investors who obtain such preferential treatment, and where relevant, their legal or economic links with the AIF or the AIFM;	No investor has a right to obtain preferential treatment in relation to their investment in the Company. However, Berenberg is entitled at its discretion and out of its resources to enter into further arrangements with certain investors to rebate part of its fees attributable to those investors' Ordinary Shares without the prior approval of, or disclosure of the detail of those terms to, Shareholders. The types of investors who may benefit are investors making significant or strategic investments in the Ordinary Shares.
1(k)	(14)	the latest annual report, in line with FUND 3.3 (Annual report of an AIF);	The Company has not yet published an annual report in line with article 22 of the EU AIFM Directive. When published, annual reports can be found on the Company's website: www.heitp.co.uk.

REGULATORY REFERENCE		*DISCLOSURE REQUIREMENT*	*DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE*
EU AIFM Directive Article 23	*FUND 3.2.2R*		
1(l)	(12)	the procedure and conditions for the issue and sale of units or shares;	The terms and conditions under which investors can subscribe for Shares under the Initial Placing and are set out in Part 10 of this Prospectus. The terms and conditions under which investors can subscribe for Ordinary Shares under the Offer for Subscription are set out in Part 11 of this Prospectus. New Shares may be issued at the Board's discretion and providing relevant Shareholder issuance authorities are in place. Shareholders do not have the right to redeem their Ordinary Shares. While the Company will typically have Shareholder authority to buy back Ordinary Shares any such buy back is at the absolute discretion of the Board and no expectation or reliance should be placed on the Board exercising such discretion.
1(m)	(13)	the latest net asset value of the Company or the latest market price of the unit or share of the Company, in line with FUND 3.9 (Valuation);	The Company has not yet published a Net Asset Value in accordance with Article 19 of the EU AIFM Directive. When published, Net Asset Value announcements will be released via a regulatory information service and can be found on the Company's website: www.heitp.co.uk
1(n)	(15)	where available, the historical performance of the Company;	The Company has not yet published any annual or half-yearly financial statements. When published, annual and half-yearly financial statements can be found on the Company's website: www.heitp.co.uk
1(o)	16(a)	the identity of the prime brokerage firm;	Not applicable.
1(o)	16(b)	a description of any material arrangements of the Company with its prime brokerage firm and the way any conflicts of interest are managed;	Not applicable.
1(o)	16(c)	the provision in the contract with the depositary on the possibility of transfer and reuse of Company assets; and	Not applicable.
1(o)	16(d)	information about any transfer of liability to the prime brokerage firm that may exist; and	Not applicable.

REGULATORY REFERENCE		*DISCLOSURE REQUIREMENT*	*DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE*
EU AIFM Directive Article 23	*FUND 3.2.2R*		
1(p)	17	a description of how and when the information required under articles 23(4) and 23(5) of the EU AIFM Directive will be disclosed.	The AIFM is required under the EU AIFM Directive to make certain periodic disclosures to Shareholders of the Company. Under Article 23(4) of the EU AIFM Directive, the AIFM must periodically disclose to Shareholders: ● the percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature; ● any new arrangements for managing the liquidity of the Company; and ● the current risk profile of the Company and the risk management systems employed by the Investment Adviser to manage those risks. This information shall be disclosed as part of the Company's annual and half year reporting to Shareholders. Under Article 23(5) of EU AIFM Directive, the AIFM must disclose to Shareholders on a regular basis: ● any changes to: (i) the maximum level of leverage that the AIFM may employ on behalf of the Company; and (ii) any right or reuse of collateral (including any security, guarantee or indemnity) or any guarantee granted under the leveraging arrangement; and ● the total amount of leverage employed by the Company. Information on changes to the maximum level of leverage and any right of re-use of collateral or any guarantee under the leveraging arrangements shall be made public without undue delay. Information on the total amount of leverage employed by the Company shall be disclosed as part of the Company's periodic reporting to Shareholders. Without limitation to the generality of the foregoing, any information required under Article 23(4) or 23(5) of the EU AIFM Directive may be disclosed to Shareholders: (a) in the Company's annual report or half-yearly report; (b) by the Company issuing an announcement via an RIS; (c) a subsequent prospectus or supplementary prospectus; and/or (d) by the Company publishing the relevant information on: www.heitp.co.uk

PART 13

GLOSSARY OF TERMS

Set out below is an explanation of some of the industry-specific terms used in this Prospectus:

BEIS	The Department for Business, Energy & Industrial Strategy;
BM	the Balancing Mechanism administered by National Grid ESO;
balancing services or ancillary services	contracts and tools that National Grid ESO procures and uses to balance supply and demand (and otherwise maintain the stability of) the GB transmission network;
Carbon Intensity	a measure of how much carbon dioxide emissions are produced per kilowatt hour of electricity consumed, as published by National Grid;
Distribution Network Owners or DNOs	the owners of the low voltage networks in the UK (typically 132kV and lower);
Dynamic Containment	one of National Grid ESO's frequency response services, designed to operate post-fault, i.e. for deployment after a significant frequency deviation in order to meet National Grid ESO's most immediate need for faster-acting frequency response;
DSO	Distribution System Operators;
EPC	engineering, procurement and construction;
ESG	environmental, social and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors use to screen potential investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights;
ESO or National Grid ESO or NG ESO	the system operator (responsible for amongst other things balancing the system) for Great Britain;
Full Wrap EPC	an engineering, procurement and construction contract in relation to a Project, with the contractor having primary responsibility for supply, installation and commissioning (on a full turn-key basis) of the Project, including the balance of plant equipment and all ancillary network connection works;
GW	Gigawatt;
Intensity Ratio	the ratio between the Carbon Intensity of energy distributed and energy consumed;
MW	electrical output measured in Megawatts;
MWh	Megawatt-hours;
National Grid	National Grid plc, owner and operator of the high-voltage electricity transmission network in England and Wales;
NGET	National Grid Electricity Transmission PLC;

O&M	operation and maintenance;
Ofgem	Office of Gas and Electricity Markets;
Operational	a project with: (i) completed lease on satisfactory terms in relation to the land upon which that Project is situated; (ii) an executed grid connection agreement with a DNO; and (iii) satisfactory completion of relevant commissioning tests;
PPAs	power purchase agreements;
PV or solar PV	solar photovoltaic system, being a power system designed to supply usable solar power by means of photovoltaics;
Revenue Optimiser	a third party company which provides revenue optimisation services to Projects, including: (i) market access; (ii) optimisation of market selection; (iii) submission of bid and offer pricing into a range of markets; and (iv) the physical dispatch of the Projects;
SPV	a special purpose vehicle incorporated for the purpose of holding a specific Project;
Shovel Ready	a project with: (i) a completed lease, lease option or agreement for lease in relation to the land upon which that Project is situated; (ii) planning permission enabling the construction of a suitable Project on that land (subject to any amendments to reflect final technical specifications); (iii) an industry standard grid connection offer from a DNO/TSO; and (iv) an EPC contract with material terms in agreed form with a reputable counterparty;
Transmission Grid	a network of power stations, transmission lines, and substations;
TSO	Transmission System Operator; and
Under Construction	a project with: (i) an agreed lease on satisfactory terms in relation to the land upon which that Project is situated; (ii) an accepted industry standard grid connection offer from a DNO/TSO, and having made at least one milestone payment; and (iii) a fully executed EPC contract with a reputable counterparty.

PART 14

DEFINITIONS

In this Prospectus, unless the context otherwise requires, the expressions as set out below shall bear the following meanings:

Acquisition	the proposed acquisition of the Seed Portfolio by the Company on the terms of the Seed Portfolio Share Purchase Agreement;
Act	Companies Act 2006, as amended from time to time;
Administrator	JTC (UK) Limited;
Administration Agreement	the administration and company secretarial agreement between the Company and the Administrator, a summary of which is set out in paragraph 8.3 of Part 9 *(General Information)* of this Prospectus;
Admission	the date on which admission of Shares issued pursuant to the Initial Issue or, if the context so requires, of Shares issued pursuant to the Placing Programme to trading on the Specialist Fund Segment first becomes effective;
Advanced Project	has the meaning given to it in paragraph 1 of Part 1 (*the Company*) of this Prospectus;
AGM	an annual general meeting of the Company;
AIC	the Association of Investment Companies;
AIC Code	the Association of Investment Companies' Code of Corporate Governance dated February 2019, as amended from time to time;
AIC Guide	the Association of Investment Companies' Corporate Governance Guide for Investment Companies, as amended form time to time;
AIF	alternative investment fund, as defined in the EU AIFM Directive;
AIFM	JTC Global AIFM Solutions Limited, the Company's alternative investment fund manager, as defined in the EU AIFM Directive;
AIFM Agreement	the alternative investment fund management agreement between the Company and the AIFM, a summary of which is set out in paragraph 8.1 of Part 9 (*General Information*) of this Prospectus;
Application Form	the application form for use in connection with the Offer for Subscription set out in the Appendix to this Prospectus;
Articles or Articles of Association	the articles of association of the Company, a summary of which is set out in paragraph 4 of Part 9 (*General Information*) of this Prospectus;
Audit and Risk Committee	the audit and risk committee of the Company as described in paragraph 2 of Part 4 (*Directors, Management and Administration*) of this Prospectus;
Auditor	Ernst & Young LLP;
Berenberg	Joh. Berenberg, Gossler & Co. KG, London Branch;

BESS	battery energy storage system;
BESS Project	a utility scale battery energy storage system project;
BESS Project Company	An SPV, company or other legal person that owns a BESS Project, in which the Company will invest;
Board or Directors	the directors of the Company whose names are set out in the paragraph headed "The Board" in paragraph 1 of Part 4 (*Directors, Management and Administration*) of this Prospectus;
Broadditch Project	the 11MW battery storage project located in Broadditch, Kent, to be acquired by the Company as part of the Seed Portfolio;
Bumpers Project	the 99MW Bumpers Farm (divided across phase 1 and phase 2) battery storage project located in Buckinghamshire, which forms part of the Exclusivity Pipeline and is owned by (i) Harmony BF Limited and (ii) Harmony BF2 Limited ("**Bumpers Project Companies**");
Business Days	any day on which the London Stock Exchange is open for business and banks are open for business in London (excluding Saturdays and Sundays);
C Shares	C Shares of £0.10 each in the capital of the Company (if any issued from time to time) having the rights and restrictions set out in paragraph 4.20 of Part 9 (*General Information*) of this Prospectus;
CAPEX or capex	capital expenditure;
Cash Consideration	the element of the consideration payable in cash in respect of the Seed Portfolio on Admission under the terms of the Seed Portfolio Share Purchase Agreement;
Co-Located Projects	a Project with an option to lease or lease in respect of a site with planning permission for use both for (i) battery energy storage and (ii) solar PV generation;
Company	Harmony Energy Income Trust plc;
Comparable Projects	has the meaning given to it in paragraph 1.7 of Part 2 (*Market Background and Investment Opportunity*) of this Prospectus;
Conflicts Policy	means the conflicts policy set out in paragraph 4 (Conflicts of Interest) of Part 4 of this Prospectus;
Consideration Shares	(i) in respect of the Seed Portfolio, the (a) 23,483,694 Ordinary Shares to be issued at the Issue Price and (b) one Ordinary Share to be transferred by the Investment Adviser, to Harmony Energy as part consideration for the acquisition of each Seed Project pursuant to the Seed Portfolio Share Purchase Agreement; (ii) in respect of the Advanced Project (on the basis that the Advanced Project is the Bumpers Project), such number of Ordinary Shares as represent the value of £11,137,500 as part consideration for the Advanced Project to be issued at a price equal to the higher of (i) the most recent published NAV per Ordinary Share or (ii) the average of the last ten Business Days' closing price per Ordinary Share at the date of entry into and completion of the relevant Pipeline Project Share Purchase

	Agreement, as part consideration for the acquisition of the Advanced Project pursuant to the Pipeline Agreement; and (iii) in respect of the Exclusivity Pipeline (other than the Advanced Project), Ordinary Shares with a value equal to 15 per cent. of the Project Value of each Exclusivity Project to be paid by the Company to Harmony Energy or the Pipeline Sellers pursuant to the Pipeline Agreement, to be issued at a price equal to the higher of (i) the most recent published NAV per Ordinary Share or (ii) the average of the last ten Business Days' closing price per Ordinary Share at the date of entry into and completion of the relevant Pipeline Project Share Purchase Agreement, as part consideration for the acquisition of each Exclusivity Project pursuant to the Pipeline Agreement;
Continuation Resolution	an ordinary resolution that the Company continues its business as an investment trust for a further period of four years, put to the Shareholders, in accordance with the Articles at the AGM to be held in 2027 and at every fourth AGM thereafter;
Corporate Governance Code	the UK Corporate Governance Code dated July 2018, as amended from time to time;
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations;
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 2001/3755);
CRS	the common reporting standard;
Default Shares	has the meaning given to it in paragraph 4 of Part 9 *(General Information)* of this Prospectus;
Deferred Consideration	has the meaning given to it in paragraph 8.7 of Part 9 *(General Information)* of this Prospectus;
Disclosure Guidance and Transparency Rules or DTRs	the Disclosure Guidance and Transparency Rules made by the FCA under section 72 of FSMA;
EEA	European Economic Area;
ERISA	the United States Employee Retirement Income Security Act of 1974, as amended;
EU AIFM Directive	The Alternative Investment Fund Managers Directive (2011/61/ EU);
EU AIFM Rules	the EU AIFM Directive and all applicable rules and regulations implementing the EU AIFM Directive in the relevant member states, as the case requires;
EU or European Union	the European Union first established by the treaty made at Maastricht on 7 February 1992;
EUWA	the European Union (Withdrawal) Act 2018;
Euroclear	Euroclear UK & Ireland Limited (a company incorporated in England and Wales with registered number 02878738, being the operator of CREST);

European Economic Area or EEA	the European Union, Iceland, Norway and Liechtenstein;
Exclusivity Pipeline	BESS Projects developed (i) by HEL (alone or in partnership with other parties) or (ii) the Pipeline Sellers (acting together) located in Great Britain from time to time, with aggregate storage capacity of 1GW less the aggregate storage capacity of the Seed Portfolio (expressed in MW), but excluding the Non-Pipeline Projects;
Exclusivity Projects	Projects forming part of the Exclusivity Pipeline;
Exclusivity Project Companies	the Project Companies holding the Exclusivity Projects from time to time (including the Bumpers Project Companies);
Extended Pipeline	means (a) BESS Projects, (b) Co-Located Projects and (c) stand-alone solar PV generation Projects developed (i) by HEL (alone or in partnership with other parties) or (ii) the Projects developed by the Pipeline Sellers (acting together) from time to time, in each case located in Great Britain, but excluding (1) the Exclusivity Projects and (2) the Non-Pipeline Projects;
Extended Pipeline Project	Projects forming part of the Extended Pipeline;
Extended Pipeline Project Company	the Project Companies holding Extended Pipeline Projects from time to time;
FATCA	the US Foreign Account Tax Compliance Act;
FCA	the Financial Conduct Authority;
FCA Rules	the handbook of rules and guidance of the FCA, as amended;
Farnham Project	the 20MW battery storage project located in Farnham, Surrey, to be acquired by the Company as part of the Seed Portfolio;
Framework Agreement	the framework agreement dated 29 September 2021 between (1) Harmony Energy and (2) Tesla in respect of (i) the Seed Portfolio (excluding the Pillswood Project) and (ii) the Advanced Project, to be novated to the Company on completion of the Acquisition;
FSMA	Financial Services and Markets Act 2000;
GFSC	The Guernsey Financial Services Commission, the regulatory body for the finance sector in the Bailiwick of Guernsey;
Gross Asset Value	the value of the gross assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time;
Gross Proceeds	the Issue Price multiplied by the number of Ordinary Shares allotted pursuant to the Initial Placing and Offer for Subscription;
Group	the Company and its subsidiaries;
GW	Gigawatt;
HMRC	Her Majesty's Revenue and Customs;
Harmony Energy	Harmony Energy Limited;
Harmony Group	Harmony Energy and its subsidiaries;

Harmony Shareholder Loans	has the meaning given to it in paragraph 7.6 of Part 9 (*General Information*);
hr	hour;
IFRS	International Financial Reporting Standards;
Initial Admission	the date on which admission of Shares issued pursuant to the Initial Issue to trading on the Specialist Fund Segment first becomes effective;
Initial Issue	the total issue of Ordinary Shares pursuant to the Initial Placing and the Offer for Subscription, and the issue of the Consideration Shares as part consideration for the Acquisition, all at the Issue Price;
Initial Placing	the conditional placing by Berenberg of Ordinary Shares described in this Prospectus in connection with the Company's IPO, on the terms and subject to the conditions set out in the Placing Agreement and this Prospectus;
Investment Adviser	Harmony Energy Advisors Limited, a wholly owned subsidiary of Harmony Energy;
Investment Company Act	the United States Investment Company Act of 1940, as amended;
Investment Process	means the investment process set out in paragraph 5 (Investment Process) of Part 4 this Prospectus;
IPO	initial public offering;
IRR	internal rate of return;
ISA	an investment plan for the purposes of chapter 3 of Part 6 of the Income Tax (Trading and Other Income) Act 2005 and the Individual Savings Account Regulations 1998 (SI 1998/1870), as amended;
Issue Expenses	the costs, commissions, fees and expenses incidental to the formation of the Company and the Initial Issue which will be borne by the Company and paid on or around Admission;
Issue Price	100p per Ordinary Share;
IT Regulations	Investment Trust (Approved Company) (Tax) Regulations 2011;
Key Information Document(s)	the key information document(s) relating to the Ordinary Shares and/or C Shares issued by the Company from time to time (as the context requires), produced pursuant to the PRIIPs Regulation, as amended and updated from time to time, and including the key information document dated on or around the date of this Prospectus relating to the Ordinary Shares produced pursuant to the PRIIPs Regulation, as amended from time to time;
Little Raith Project	the 49.5MW battery storage project located in Lochgelly, Fife, to be acquired by the Company as part of the Seed Portfolio;
Lock-up and Orderly Market Deed	the lock-up and orderly market deed entered into between (1) the Company, (2) Berenberg and (3) the Locked-up Shareholders, as summarised in paragraph 8.9 of Part 9 *(General Information)* of this Prospectus;

London Stock Exchange	London Stock Exchange plc (a company registered in England and Wales with registered number 2075721);
London Stock Exchange	London Stock Exchange plc;
Main Market	the main market of the London Stock Exchange for listed securities;
Management Engagement Committee	the management engagement committee of the Company as described in paragraph 2 of Part 4 *(Directors, Management and Administration)* of this Prospectus;
Market Abuse Regulation	the UK version of the Market Abuse Regulation (Regulation (EU) 596/2014) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018;
Memorandum	the memorandum of incorporation of the Company;
MiFID II	the UK version of Directive 2014/65/EU on markets in financial instruments and any secondary legislation, rules, regulations and procedures made pursuant thereto up to 31 December 2019, which is part of UK law by virtue of the EUWA, as amended;
MiFID II Product Governance Requirements	has the meaning given in the *Important Information* section of this Prospectus;
Minimum Gross Proceeds	the minimum Gross Proceeds, being £160 million;
Minimum Net Proceeds	the Minimum Gross Proceeds less the Issue Expenses;
NURS	non-UCITS retail schemes;
Net Asset Value or NAV	in relation to an Ordinary Share, its net asset value; in relation to Ordinary Shares the net asset value per Ordinary Share multiplied by the number of shares of that class in issue (excluding, for the avoidance of doubt, any Ordinary Shares held in treasury); in relation to a C Share, its net asset value; in relation to C Shares the net asset value per C Share multiplied by the number of shares of that class in issue (excluding for the avoidance of doubt, any C Shares held in treasury); and in relation to the Company, the net asset value of the Company as a whole, in each case either audited or unaudited (as the context may require) and calculated in accordance with the Company's normal reporting policies from time to time;
Net Proceeds	the Gross Proceeds less the Issue Expenses;
Non-Pipeline Projects	BESS Projects developed by Harmony Energy which (i) have achieved Shovel Ready status and/or (ii) have become subject to binding contractual arrangements with third party investors and/or buyers prior to the date of this Prospectus (provided that, for the avoidance of doubt, the Seed Projects constitute the Seed Portfolio), being known as the Holes Bay Project, the Contego Project, the Clay Tye Farm 1 Project, the Clay Tye Farm 2 Project, the Salisbury Project, the Driffield Project, the Chapel Farm Project, the Jamesfield 1 Project and the Jamesfield 2 Project;
Offer for Subscription	the offer for subscription to the public in the UK for Ordinary Shares on the terms and subject to the conditions set out in this Prospectus;
Official List	the Official List maintained by the UK Listing Authority pursuant to Part VI of FSMA;

Ofgem	Office of Gas and Electricity Markets;
Ongoing Charges Ratio	the annual percentage reduction in shareholder returns because of recurring operational expenses assuming markets remain static and the portfolio is not traded (calculated according to the AIC's ongoing charges calculation);
Ordinary Shares	ordinary shares of £0.01 each in the capital of the Company;
Overseas Persons	a potential investor who is not resident in, or who is not a citizen of the UK;
Panel	the UK Panel on Takeovers and Mergers;
Pillswood Project	the 98MW battery storage project (split across phase 1 and phase 2) located in Cottingham, East Yorkshire, to be acquired by the Company as part of the Seed Portfolio by acquiring the entire issued share capital of (i) Harmony (PW) Limited and (ii) Harmony (PW) 2 Limited (together the "**Pillswood Project Companies**");
Pillswood Tesla Contracts	the contracts in respect of the Full EPC Wrap and Tesla Services in relation to the Pillswood Project between (i) Tesla and Harmony (PW) Limited; and (ii) Tesla and Harmony (PW) 2 Limited, comprising: (1) EPC contract; (2) Battery Energy Storage System Services Agreement; (3) Manufacturer's Limited Warranty; and (4) Market Participation Agreement, each dated 17 August 2021;
Pipeline Agreement	the agreement between the Company and the Pipeline Sellers pursuant to which the Pipeline Sellers grant certain preferential rights to the Company to acquire both: (i) the Exclusivity Pipeline; and (ii) the Extended Pipeline;
Pipeline Company Acquisition Consideration	has the meaning given to it in paragraph 8.8 of Part 9 (*General Information*) of this Prospectus;
Pipeline Projects	(i) Exclusivity Projects; and (ii) Extended Pipeline Projects;
Pipeline Project Companies	(i) Exclusivity Project Companies; and (ii) Extended Pipeline Project Companies;
Pipeline Sellers	Harmony Energy and RBE;
Placee	any investor with whom Shares are placed by Berenberg, as agent of the Company, pursuant to the Initial Placing or the Placing Programme, as the context requires;
Placing Agreement	the conditional Placing Agreement between (1) the Company, (2) the Investment Adviser, (3) the Directors and (4) Berenberg, details of which are set out in paragraph 8.4 of Part 9 *(General Information)* of this Prospectus;

Placing Programme	the proposed programme of placings in the period from 9 November 2021 to 14 October 2022 of an aggregate number of Ordinary Shares and/or C Shares equal in aggregate up to 250 million;
Placing Programme Price	such price at which the Ordinary Shares will be issued to Placees under the Placing Programme, being the last published cum income Net Asset Value per Ordinary Share at the time that the proposed issue is agreed as shall be determined by the Directors in accordance with paragraph 3 of Part 7 *(Placing Programme)* of this Prospectus, plus a premium intended to at least cover the associated issue costs;
Portfolio	the Company's portfolio of Projects;
PRIIPs Regulation	the UK version of Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products and its implementing and delegated acts which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended and supplemented from time to time), as amended by The Packaged Retail and Insurance-based Investment Products (Amendment)(EU Exit) Regulations 2019;
Pro Forma Share Purchase Agreement	the pro forma share purchase agreement to be entered into between the Company and Harmony Energy or the Pipeline Sellers (as the case may be) in respect of any acquisition of 100 per cent. of the issued share capital in each Exclusivity Project Company by the Company pursuant to the Pipeline Agreement;
Project	a renewable energy generation project or a BESS Project which is acquired by the Company or which is subject to the Pipeline Agreement from time to time, comprising: (i) the Seed Portfolio; (ii) the Exclusivity Pipeline; and (iii) the Extended Pipeline;
Project Companies	SPVs which hold Projects from time to time, comprising: (i) the Seed Project Companies; (ii) the Exclusivity Project Companies; and (iii) the Extended Pipeline Project Companies;
Project Value	has the meaning given to it in paragraph 8.8 of Part 9 (*General Information*) of this Prospectus;
Prospectus	this prospectus;
Prospectus Regulation	the UK version of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market which is part of UK law by virtue of the EUWA, as amended by The Prospectus (Amendment, etc) (EU Exit) Regulations 2019;
Prospectus Regulation Rules	the rules and regulations made by the FCA under Part VI of FSMA as amended from time to time;
RBE	Ritchie-Bland Energy (Number 2) Ltd.;

Receiving Agent or Computershare	Computershare Investor Services PLC;
Receiving Agent Agreement	the receiving agent agreement between the Company and the Receiving Agent, a summary of which is set out in paragraph 8.6 of Part 9 *(General Information)* of this Prospectus;
Redeemable Management Shares	Redeemable Management Shares of £1.00 each in the capital of the Company, having the rights and being subject to the restrictions set out in the Articles, which are summarised in paragraph 4 of Part 9 *(General Information)* of this Prospectus;
Registrar	Computershare Investor Services PLC;
Registrar Agreement	the registrar agreement between the Company and the Registrar, a summary of which is set out in paragraph 8.5 of Part 9 *(General Information)* of this Prospectus;
Regulatory Information Service or RIS	a regulatory information service that is on the list of regulatory information services maintained by the FCA;
Replacement Tesla Security	the share charges to be granted by the Company to Tesla in respect of the Pillswood Project Companies, together with the debentures granted to Tesla by the Pillswood Project Companies and related security documents, to be entered into on completion of the Seed Portfolio Share Purchase Agreement substantially in the form of the Tesla Security Documents (together the "**Replacement Security Documents**");
Reporting Accountant	Ernst & Young LLP;
Rusholme Project	the 35MW battery storage project located in Rusholme, Greater Manchester, to be acquired by the Company as part of the Seed Portfolio;
Seed Portfolio	100 per cent. of the issued share capital in each Seed Project Company to be acquired by the Company pursuant to the terms of the Seed Portfolio Share Purchase Agreement;
Seed Portfolio Aggregate Project Value	the aggregate value of the Seed Projects based on market conditions as at 30 September 2021 and certain assumptions, being £38,455,614, which in the opinion of the Valuer falls within a reasonable market range on a fair market value basis;
Seed Portfolio Share Purchase Agreement	the conditional share purchase agreement entered into between the Company and Harmony Energy in respect of the sale of 100 per cent. of the issued share capital in each Seed Project Company;
Seed Project Company	each of: (i) Harmony (PW) Limited; (ii) Harmony (PW) 2 Ltd; (iii) Harmony BD Limited; (iv) Harmony FM Limited; (v) Harmony (RH) Limited; and (vi) Daisy No 2 Limited, being the SPVs holding each of the Seed Projects;

Seed Projects	each of the: (i) Pillswood Project; (ii) Broadditch Project; (iii) Farnham Project; (iv) Rusholme Project; and (v) Little Raith Project;
Shareholder	holder of Shares;
Shares	Ordinary Shares and/or C Shares;
SIPP	self-invested personal pension;
Specialist Fund Segment	the specialist fund segment of the Main Market;
Statutes	the Act as amended and every other statute for the time being in force concerning companies and affecting the Company;
Subsequent Acquisition(s)	each acquisition of a Pipeline Project (if any) by the Company on the terms of the Pipeline Agreement and the Pro Forma Share Purchase Agreement;
Subsequent Placing	any placing of Shares pursuant to the Placing Programme;
Takeover Code	the City Code on Takeovers and Mergers, as amended from time to time;
Target Gross Proceeds	the target Gross Proceeds pursuant to the Initial Placing and Offer for Subscription, being £230 million;
Target Market Assessment	has the meaning given in the *Important Information* section of this Prospectus;
Tesla	Tesla Motors Limited;
Tesla Security	the share charges granted by Harmony Energy to Tesla in respect of the Pillswood Project Companies, together with the debentures granted to Tesla by the Pillswood Project Companies and related security documents (together the "**Tesla Security Documents**");
Tesla Services	has the meaning given in paragraph 2 of Part 3 of this Prospectus;
United States or U.S.	the United States of America, its possessions or territories, any State of the United States of America and the district of Columbia or any area subject to its jurisdiction or any political subdivision thereof;
UCITS	undertakings for collective investment in transferable securities, within the meaning of Directive 2009/65/EC of the European Parliament and Council of 13 July 2009, which is part of UK law by virtue of the EUWA;
USE Instruction	an instruction created through CREST;
U.S. Investment Company	U.S. Investment Company Act of 1940, as amended;
U.S. Person	a US person as defined by Regulation S of the U.S. Securities Act;
U.S. Securities Act	U.S. Securities Act of 1933, as amended from time to time;

U.S. Tax Code	the U.S. Internal Revenue Code of 1986, as amended from time to time;
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland;
UK AIFM Legislation	the EU AIFM Directive as implemented in the UK by UK statutory instruments and by virtue of the EUWA;
UK AIFM Regime	together, The Alternative Investment Fund Managers Regulations 2013 (as amended by The Alternative Investment Fund Managers (Amendment etc) (EU Exit) Regulations 2019) and the Investment Funds Sourcebook forming part of the FCA Handbook;
UK Listing Authority	the FCA as the competent authority for the approval of Prospectuses in the United Kingdom;
Valuation Opinion Letter	the Mazars LLP Valuation Opinion Letter set out in Part 5 (*Valuer's Opinion*) of this Prospectus;
Valuer	Mazars LLP;
VAT	value added tax; and
Website	www.heitp.co.uk.

HARMONY ENERGY INCOME TRUST PLC – OFS APPLICATION

APPLICATION FORM

For official use only

Application form for the Offer for Subscription

HARMONY ENERGY INCOME TRUST PLC

Important: before completing this form, you should read the accompanying notes.

To: Computershare Investor Services PLC
Corporate Actions Projects
Bristol
BS99 6AH

1. Application

I/We the person(s) detailed in section 2 below offer to subscribe for the amount shown in the box in section 1 subject to the Terms and Conditions of Application under the Offer for Subscription set out in Part 11 of the Prospectus dated 15 October 2021 and subject to the Articles of the Company.

In the box in this section 1 (write in figures, the aggregate value, at the Issue Price (being 100 pence per Ordinary Share), of the Ordinary Shares that you wish to apply for – a minimum of £1,000 and thereafter in multiples of £100).

	Payment Method (Tick appropriate box)		
	Cheque/Banker's draft	Bank transfer	CREST Settlement (DvP)
	☐	☐	☐

2. Details of Holder(s) in whose name(s) Ordinary Shares will be issued (BLOCK CAPITALS)

1	Mr, Mrs, Miss or Title	Forenames (in full)

Surname/Company Name

Address (in full)

Designation (if any)	Date of Birth

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2	Mr, Mrs, Miss or Title	Forenames (in full)
Surname		
Date of Birth		

3	Mr, Mrs, Miss or Title	Forenames (in full)
Surname		
Date of Birth		

4	Mr, Mrs, Miss or Title	Forenames (in full)
Surname		
Date of Birth		

3. CREST details

(Only complete this section if Ordinary Shares issued are to be deposited in a CREST Account which must be in the same name as the holder(s) given in section 2).

CREST Participant ID:								
CREST Member Account ID:								

4. Signature(s) - all holders must sign

I/we confirm that by signing below, I/we agree to the Terms and Conditions of Application under the Offer for Subscription in Part 11 of the prospectus dated 15 October 2021 and give the representations, warranties and undertakings set out therein, including that I/we are not in the United States and are not U.S. Persons.

Execution by individuals:

First Applicant Signature	Date
Second Applicant Signature	Date
Third Applicant Signature	Date
Fourth Applicant Signature	Date

Execution by a company:

Executed by (Name of company):		Date
Name of Director:	Signature	Date
Name of Director/Secretary:	Signature	Date
If you are affixing a company seal, please mark a cross here:	Affix Company Seal here:	

5. Settlement details

(a) ***Cheque/Banker's Draft***

If you are subscribing for Ordinary Shares and paying by cheque or banker's draft, attach to this form your cheque or banker's draft for the exact amount shown in the box in section 1. Cheques or bankers' drafts must be made payable to "CIS PLC re Harmony Energy OFS". Cheques and bankers' drafts must be drawn on an account at a branch of a bank or building society in the United Kingdom and must bear the appropriate sort code in the top right hand corner. You should tick the relevant payment method box in section 1.

(b) ***Bank transfer***

For applicants sending subscription monies by electronic bank transfer (CHAPs), payment must be made for value by 11.00 a.m. on 3 November 2021. Applicants wishing to make a CHAPs payment should contact Computershare by email at Harmonyenergy@computershare.co.uk for full bank details or telephone the shareholder helpline on +44 (0)370 703 6003 for further information. Applicants will be provided with a unique reference number which must be used when making the payment.

Electronic payments must come from a UK bank account and from a personal account in the name of the individual applicant where they have sole or joint title to the funds. The account name should be the same as that inserted below and payments must relate solely to your Application. You should tick the relevant payment method box in section 1. It is recommended that such transfers are actioned within 24 hours of posting your application.

Sort Code:	Account name:
Account Number:	Contact name at branch and telephone number:

Evidence of the source of funds may also be required. Typically this will be a copy of the remitting bank account statement clearly identifying the applicant's name, the value of the debit (equal to the application value) and the crediting account details or application reference. A photocopy of the transaction can be enclosed with your application or a pdf copy can also be scanned and emailed to Harmonyenergy@computershare.co.uk. Photographs of the electronic transfer are not acceptable.

Any delay in providing monies may affect acceptance of the application. If the Receiving Agent is unable to match your application with a bank payment, there is a risk that your application could be delayed or will not be treated as a valid application and may be rejected by the Company and/or the Receiving Agent.

Please Note – you should check with your bank regarding any limits imposed on the level and timing of transfers allowed from your account (for example, some banks apply a maximum transaction or daily limit, and you may need to make the transfer as more than one payment).

The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference or where a payment has been received but without an accompanying application form.

(c) ***CREST Settlement***

If you so choose to settle your application within CREST, that is by DvP, you or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per Ordinary Share using the CREST matching criteria set out below:

Trade date:	5 November 2021
Settlement date:	9 November 2021
Company:	HARMONY ENERGY INCOME TRUST PLC
Security description:	Ordinary Shares of £0.01
SEDOL:	BLNNFY1
ISIN:	GB00BLNNFY18
CREST message type:	DEL

Should you wish to settle by DvP, you will need to match your CREST DEL instructions to those input by Computershare to their Participant Account RA64 by no later than 1.00 p.m. on 8 November 2021.

You must also ensure that you or your settlement agent/custodian has a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

Applicants wishing to settle by DvP will still need to complete and submit a valid Application Form by 11.00 a.m. on 3 November 2021. You should tick the relevant payment method box in section 1.

Note: Computershare will not take any action until a valid DEL message has been alleged to the Participant Account by the applicant. No acknowledgement of receipt or input will be provided.

In the event of late/non settlement the Company reserves the right to deliver Ordinary Shares outside of CREST in certificated form provided that payment has been made in terms satisfactory to the Company and all other conditions of the Offer for Subscription have been satisfied.

6. Anti-money Laundering

Anti-money laundering checks are required by law to be performed on certain financial transactions. The checks are undertaken to make sure investors are genuinely who they say they are and that any application monies have not been acquired illegally or that Computershare itself is not being used as part of criminal activity, most commonly the placement, layering and integration of illegally obtained money.

Whilst Computershare may carry out checks on any application, they are usually only performed when dealing with application values above a certain threshold, commonly referred to as the anti-money laundering threshold which is €15,000 (or the Sterling equivalent).

Computershare will make enquiries to credit reference agencies to meet its anti-money laundering obligations and the applicant may be required to provide an original or certified copy of their passport, driving licence and recent bank statements to support such enquiries. Anti-money laundering checks do not mean the investor is suspected of anything illegal and there is nothing to worry about.

The checks made at credit reference agencies leave an 'enquiry footprint' – an indelible record so that the investor can see who has checked them out. The enquiry footprint does not have any impact on their credit score or on their ability to get credit. Anti-Money Laundering Checks appear as an enquiry/soft search on the applicant's credit report. The report may contain a note saying "Identity Check to comply with Anti Money Laundering Regulations".

Computershare reserves the right to request any further additional information it deems necessary to confirm the identity, address, source of funds and wealth of all parties, and further it reserves the right to decline an application for any individual or business where it considers that the information available is unsuitable or unreliable.

If at any time the Company has reasonable grounds for suspecting that the funds contributed to the Company may represent the proceeds of crime, it reserves the right to refuse to issue Ordinary Shares or pay income or dividends on Ordinary Shares to the applicant or investor until sufficient information has been supplied to satisfy the Receiving Agent's anti-money laundering requirements. To the extent that the applicant or, where relevant, the beneficial owner has been identified as a politically exposed person or an associate of a politically exposed person, the Receiving Agent may request additional information. These requirements apply both at the time of investment and on an ongoing basis.

7. Reliable Introducer Declaration

Completion and signing of this declaration by a suitable person or institution may avoid presentation being requested of the identity documents detailed in section 6 of this form.

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The declaration below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the "**firm**") which is itself subject to its own country to operation of "know your customer" and anti-money laundering regulations no less stringent than those which prevail in the United Kingdom.

DECLARATION:

To the Company and the Receiving Agent

With reference to the holder(s) detailed in section 2A, all persons signing at section 3 and the payor identified in section 6 if not also a holder (collectively the "**subjects**") WE HEREBY DECLARE:

1. we operate in the United Kingdom, or in a country where money laundering regulations under the laws of that country are, to the best of our knowledge, no less stringent than those which prevail in the United Kingdom and our firm is subject to such regulations;

2. we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;

3. each of the subjects is known to us in a business capacity and we have undertaken identity checks on each of them within the last two years and we undertake to immediately provide to you copies of such checks on demand;

4. we confirm the accuracy of the names and residential/business address(es) of the holder(s) given at section 2A;

5. having regard to all local money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the Ordinary Shares mentioned; and

6. where the payor and holder(s) are different persons we are satisfied as to the relationship between them and reason for the payor being different to the holder(s).

The above information is given in strict confidence for your own use only and without any guarantee, responsibility or liability on the part of this firm or its officials.

Signed:	Name:	Position:

Name of regulatory authority:	Firm's licence number:

Website address or telephone number of regulatory authority:

STAMP of firm giving full name and address:

HARMONY ENERGY INCOME TRUST PLC – OFS APPLICATION

8. Identity Information

If the declaration in section 5 cannot be signed and the value of your application is greater than €15,000 (or the sterling equivalent), please enclose with that Application Form the documents mentioned below, as appropriate. Please also tick the relevant box to indicate which documents you have enclosed, all of which will be returned by the Receiving Agent to the first named Applicant.

Holders				Payor

Tick here for documents provided

In accordance with internationally recognised standards for the prevention of money laundering, the documents and information set out below must be provided:

A. For each holder being an individual enclose:

(1) an original or an originally certified clear photocopy of a current passport which bears both a photograph and the signature of the person; and

(2) an original or an originally certified copy of one of the following documents, which is no more than 3 months old and which purports to confirm that the address given in section 2A is that person's residential address: a recent gas, electricity, water or telephone (not mobile) bill – a recent bank statement – a council rates bill – or similar document issued by a recognised authority; and

(3) if none of the above documents show their dates and place of birth, enclose a note of such information; and

(4) details of the name and address of their personal bankers from which the Receiving Agent may request a reference, if necessary.

B. For each holder being a company (a "holder company") enclose:

(1) an originally certified copy of the certificate of incorporation of the holder company; and

(2) the name and address of the holder company's principal bankers from which the Receiving Agent may request a reference, if necessary; and

(3) an originally signed statement as to the nature of the holder company's business, signed by a director; and

(4) an originally certified list of the names and residential addresses of each director of the holder company; and

(5) for each director provide originally certified documents and information similar to that mentioned in A above; and

(6) an originally certified copy of the most recent authorised signatory list for the holder company; and

(7) an originally certified list of the names and residential/registered address of each ultimate beneficial owner interested in more than 10 per cent. of the issued share capital of the holder company and, where a person is named, also complete C below and, if another company is named (hereinafter a "beneficiary company"), also complete D below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.

C. For each person name in B(7) as a beneficial owner of a holder company enclose for each such person documents and information similar to that mentioned in A(1) to (4).

D. For each beneficiary company named in B(7) as a beneficial owner of a holder company enclose:

(1) an originally certified copy of the certificate of incorporation of that beneficiary company; and

(2) an originally signed statement as to the nature of that beneficiary company's business signed by a director; and

(3) the name and address of that beneficiary company's principal bankers from which the Receiving Agent may request a reference, if necessary; and

(4) an originally certified list of the names and residential/registered address of each beneficial owner owning more than 10 per cent. of the issued share capital of that beneficiary company.

E. If the payor is not a holder and is not a bank providing its own banker's payment on the reverse of which is shown details of the account being debited with such payment (see note 5 on how to complete this form) enclose:

(1) if the payor is a person, for that person the documents mentioned in A(1) to (4); or

(2) if the payor is a company, for that company the documents mentioned in B(1) to (7); and

(3) an originally signed detailed explanation of the relationship between the payor and the holder(s) and the rationale for funds being remitted from a third party.

9. CONTACT DETAILS

To ensure the efficient and timely processing of this application please enter below the contact details of a person the Receiving Agent may contact with all enquiries concerning this application. Ordinarily this contact person should be the person signing in section 3 on behalf of the first named holder. If no details are provided here but a regulated person is identified in section 5, the Receiving Agent will contact the regulated person. If no details are entered here and no regulated person is named in section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.

Contact Name:	E-mail address:
Contact address:	
	E-mail address:
Telephone No.	Fax No.:

10. Queries

If you have any queries on how to complete this form or if you wish to confirm your final allotment of Ordinary Shares, please call the Computershare helpline on +44 (0)370 703 6003. The helpline is open between 8.30 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide any financial, legal or tax advice.

HARMONY ENERGY INCOME TRUST PLC – OFS APPLICATION

Notes on how to complete the Offer for Subscription Application Form

Applications should be returned to be received by Computershare no later than 11.00 a.m. on 3 November 2021.

Helpline: If you have a query concerning the completion of this Application Form, please telephone Computershare on +44 (0)370 703 6003. The helpline is open between 8.30 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

1 Application

Fill in (in figures) in the box in section 1 the aggregate value, at the Issue Price (being 100 pence per Ordinary Share), of the Ordinary Shares being subscribed for. The value must be a minimum of £1,000, and thereafter in multiples of £100.

Financial intermediaries who are investing on behalf of clients should make separate applications for each client.

2 Payment method

Mark in the relevant box in section 1 to confirm your payment method, i.e. cheque/banker's draft, bank transfer or settlement via CREST.

3 Holder details

Fill in (in block capitals) the full name(s) of each holder and the address of the first named holder. Applications may only be made by persons aged 18 or over. In the case of joint holders only the first named may bear a designation reference. A maximum of four joint holders is permitted. All holders named must sign the Application Form in section 4.

4 CREST

If you wish your Ordinary Shares to be deposited in a CREST account in the name of the holders given in section 2, enter in section 3 the details of that CREST account. Where it is requested that Ordinary Shares be deposited into a CREST account, please note that payment for such Ordinary Shares must be made prior to the day such Ordinary Shares might be issued, unless settling by DvP in CREST.

5 Signature

All holders named in section 2 must sign section 4 and insert the date. The Application Form may be signed by another person on behalf of each holder if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor or a bank) must be enclosed for inspection (which originals will be returned by post at the addressee's risk). A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated, and a copy of a notice issued by the corporation authorising such person to sign should accompany the Application Form.

6 Settlement details

(a) ***Cheque/Banker's draft***

All payments by cheque or banker's draft must accompany your application and be for the exact amount inserted in the box in section 1 of the Application Form. Your cheque or banker's draft must be made payable to "CIS PLC re Harmony Energy OFS", in respect of an application and crossed "**A/C Payee Only**". Applications accompanied by a post-dated cheque will not be accepted.

Cheques or bankers' drafts must be drawn on an account where the applicant has sole or joint title to the funds and on an account at a branch of a bank or building society in the United Kingdom which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and bankers' drafts to be cleared through the facilities provided by any of those companies or committees and must bear the appropriate sort code in the top right hand corner.

Third party cheques may not be accepted, with the exception of building society cheques or bankers' drafts where the building society or bank has inserted on the back of the cheque the full name of the building society or bank account holder and have added the building society or bank branch stamp. The name of the building society or bank account holder must be the same as the name of the current shareholder or prospective investor. Please do not send cash. Cheques or bankers' drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and bankers' drafts to allow the Company to obtain value for remittances at the earliest opportunity.

(b) ***Bank transfer***

For applicants sending subscription monies by electronic bank transfer (CHAPs), payment must be made for value by 11.00 a.m. on 3 November 2021. Applicants wishing to make a CHAPs payment should contact Computershare by email at Harmonyenergy@computershare.co.uk for full bank details or telephone the shareholder helpline on +44 (0)370 703 6003 for further information. Applicants will be provided with a unique reference number which must be used when making the payment.

Electronic payments must come from a UK bank account and from a personal account in the name of the individual applicant where they have sole or joint title to the funds. The account name should be the same as that inserted in section 5(b) of the Application Form and payments must relate solely to your Application. You should tick the relevant payment method box in section 1. It is recommended that such transfers are actioned within 24 hours of posting your application.

Evidence of the source of funds may also be required. Typically this will be a copy of the remitting bank account statement clearly identifying the applicant's name, the value of the debit (equal to the application value) and the crediting account details or application reference. A photocopy of the transaction can be enclosed with your application or a pdf copy can also be scanned and emailed to Harmonyenergy@computershare.co.uk. Photographs of the electronic transfer are not acceptable.

Any delay in providing monies may affect acceptance of the application. If the Receiving Agent is unable to match your application with a bank payment, there is a risk that your application could be delayed or will not be treated as a valid application and may be rejected by the Company and/or the Receiving Agent.

Please Note – you should check with your bank regarding any limits imposed on the level and timing of transfers allowed from your account (for example, some banks apply a maximum transaction or daily limit, and you may need to make the transfer as more than one payment).

The Receiving Agent cannot take responsibility for correctly identifying payments without a unique reference or where a payment has been received but without an accompanying application form.

(c) ***CREST settlement***

The Company will apply for the Ordinary Shares issued pursuant to the Offer for Subscription in uncertificated form to be enabled for CREST transfer and settlement with effect from Admission (being the settlement date). Accordingly, settlement of transactions in the Ordinary Shares will normally take place within the CREST system.

The Application Form contains details of the information which the Company's Receiving Agent, Computershare, will require from you to settle your application within CREST, if you so choose. If you do not provide any CREST details or if you provide insufficient CREST details for Computershare to

match to your CREST account, Computershare will deliver your Ordinary Shares in certificated form provided payment has been made in terms satisfactory to the Company.

The right is reserved to issue your Ordinary Shares in certificated form should the Company, having consulted with Computershare, consider this to be necessary or desirable. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST or any part of CREST or on the part of the facilities and/or system of Computershare in connection with CREST.

The person named for registration purposes in your Application Form must be: (a) the person procured by you to subscribe for or acquire the Ordinary Shares; or (b) yourself; or (c) a nominee of any such person or yourself, as the case may be. Neither Computershare nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. You will need to input the delivery versus payment ("**DvP**") instructions into the CREST system in accordance with your application. The input returned by Computershare of a matching or acceptance instruction to our CREST input will then allow the delivery of your Ordinary Shares to your CREST account against payment of the Issue Price in Sterling through the CREST system upon the settlement date.

By returning your Application Form you agree that you will do all things necessary to ensure that you or your settlement agent/custodian's CREST account allows for the delivery and acceptance of Ordinary Shares to be made prior to 8.00 a.m. on 9 November 2021 against payment of the Issue Price. Failure by you to do so will result in you being charged interest at the rate of two percentage points above the then published bank base rate of a clearing bank selected by the Company.

If you so choose to settle your application within CREST, that is by DvP, you or your settlement agent/custodian's CREST account must allow for the delivery and acceptance of Ordinary Shares to be made against payment of the Issue Price per Ordinary Share using the following CREST matching criteria set out below:

Trade date:	5 November 2021
Settlement date:	9 November 2021
Company:	HARMONY ENERGY INCOME TRUST PLC
Security description:	Ordinary Shares of £0.01
SEDOL:	BLNNFY1
ISIN:	GB00BLNNFY18
CREST message type:	DEL

Should you wish to settle by DvP, you will need to match your CREST DEL instructions to those input by Computershare to their Participant Account RA64 by no later than 1.00 p.m. on 8 November 2021.

You must also ensure that you or your settlement agent/custodian has a sufficient "debit cap" within the CREST system to facilitate settlement in addition to your/its own daily trading and settlement requirements.

Applicants wishing to settle by DvP will still need to complete and submit a valid Application Form by 11.00 a.m. on 3 November 2021. You should tick the relevant payment method box in section 1.

Note: Computershare will not take any action until a valid DEL message has been alleged to the Participant Account by the applicant.

No acknowledgement of receipt or input will be provided.

In the event of late/non settlement the Company reserves the right to deliver Ordinary Shares outside of CREST in certificated form provided that payment has been made in terms satisfactory to the Company and all other conditions of the Offer for Subscription have been satisfied.

7 Reliable Introducer Declaration

Applications will be subject to the UK's verification of identity requirements. This will involve you providing the verification of identity documents listed in section 6 of the Application Form UNLESS you can have the declaration provided at section 7 of the Application Form given and signed by a firm acceptable to the Receiving Agent. In order to ensure your application is processed timely and efficiently all applicants are strongly advised to have the declaration provided in section 7 of the Application Form completed and signed by a suitable firm.

8 Indemnity Information

Applicants need only consider section 6 of the Application Form if the declaration in section 7 cannot be completed. Notwithstanding that the declaration in section 7 has been completed and signed the Receiving Agent reserves the right to request of you the identity documents listed in section 6 and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time your application might be rejected or revoked. Where certified copies of documents are provided such copy documents should be originally certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm of accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

9 Contact Details

To ensure the efficient and timely processing of your Application Form, please provide contact details of a person the Receiving Agent may contact with all enquiries concerning your application. Ordinarily this contact person should be the person signing in section 4 on behalf of the first named holder. If no details are provided here but a regulated person is identified in section 7, the Receiving Agent will contact the regulated person. If no details are entered here and no regulated person is named in section 5 and the Receiving Agent requires further information, any delay in obtaining that additional information may result in your application being rejected or revoked.