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GRESHAM HOUSE ENERGY STORAGE FUND PLC

SUPPLEMENTARY PROSPECTUS



SOLE BOOKRUNNER AND FINANCIAL ADVISER

NOVEMBER 2018

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This document comprises a supplementary prospectus (the "**Supplementary Prospectus**") relating to Gresham House Energy Storage Fund PLC (the "**Company**") and has been prepared in accordance with the Prospectus Rules made under section 84 of the Financial Services and Markets Act 2000. The Supplementary Prospectus does not contain or constitute an offer to sell or to issue any shares in the Company (the "**Shares**") or the solicitation of an offer to buy or subscribe for Shares. This Supplementary Prospectus has been approved by and filed with the Financial Conduct Authority in accordance with the Prospectus Rules.

Cantor Fitzgerald Europe, which is authorised and regulated by the Financial Conduct Authority, is acting for the Company and will not regard any person other than the Company as its customer or be responsible to anyone other than the Company for providing the protections afforded to customers of Cantor Fitzgerald Europe or for providing advice in relation to the contents of this document or any matters referred to herein. Cantor Fitzgerald Europe is not responsible for the contents of this Supplementary Prospectus. This does not exclude or limit any responsibilities which Cantor Fitzgerald Europe may have under the Financial Services and Markets Act 2000 or the regulatory regime established thereunder.

GRESHAM HOUSE ENERGY STORAGE FUND PLC

(Incorporated and registered in England and Wales with registered number 11535957 and registered as an investment company under section 833 of the Companies Act 2006 (as amended))

Supplementary Prospectus

This Supplementary Prospectus is supplemental to, and should be read in conjunction with, the prospectus published by the Company on 17 October 2018 (the "**Prospectus**") relating to the issue in connection with the acquisition of the Seed Portfolio, the placing and offer for subscription of up to 200 million Ordinary Shares (the "**Issue**") and the placing programme of a number of Ordinary Shares and/or C Shares subject to a maximum of 200 million Ordinary Shares and C Shares in aggregate. Words or expressions defined in the Prospectus have the same meaning when used in this document unless the context requires otherwise. Save as disclosed in this document there has been no significant new change affecting any matter contained in the Prospectus and no significant new matter has arisen since publication of the Prospectus.

The distribution of this Supplementary Prospectus in certain jurisdictions may be restricted by law. No action has been taken by the Company or Cantor Fitzgerald Europe that would permit an offer of the Shares or possession or distribution of this Supplementary 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 Supplementary 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.

6 November 2018

PART 1: BACKGROUND AND OVERVIEW

1. Introduction

On 31 October 2018 the Company announced that it was extending the timetable for the Placing and Offer for Subscription to accommodate investor interest. Further to that announcement, the Board is pleased to announce that the Company has procured commitments from investors, including the Seed Portfolio Project Holders, equivalent to Gross Proceeds of at least £100 million and the issuance of at least 100 million Shares.

The Board remains confident that the experience and expertise of the Manager, coupled with the Company's identified Seed Portfolio and firm pipeline, will enable the Company to deliver excellent shareholder returns in what is a rapidly emerging, next-generation, infrastructure sector.

The Company is therefore proceeding with the Issue notwithstanding that the Net Proceeds arising from the above commitments would, at £98 million, be less than £100 million of Net Proceeds that was set out in the Prospectus as being a condition of the Issue.

2. Purpose of Supplementary Prospectus

This document constitutes a Supplementary Prospectus required under Prospectus Rules 3.4.1 and 3.4.2 and is being published to note the following factors, which the Directors and the Company consider to be significant new factors in relation to the information included in the Prospectus:

- 2.1 The revised minimum Net Proceeds.
- 2.2 Amounts of cash consideration, which were to be received by the Seed Portfolio Project Holders pursuant to the Seed Portfolio Share Purchase Agreement, will now be satisfied by the issue of additional Ordinary Shares to the Seed Portfolio Project Holders and these additional Ordinary Shares will form part of the Issue.
- 2.3 The Issue will now also include the issue of Ordinary Shares at the Issue Price to certain holders ("**Bondholders**") of bonds ("**Power Bonds**"), issued by Hazel Capital ESS 1 Ltd and HC ESS3 Limited, who have elected to roll over amounts of principal invested in Power Bonds which will be redeemed on Admission.

This Supplementary Prospectus gives further details of these matters and of certain consequential changes to other documents referred to in the Prospectus. This Supplementary Prospectus has been approved for publication by the FCA.

3. Revised minimum Net Proceeds

The Board has decided to proceed with the IPO of the Company with minimum Net Proceeds of £97 million. This figure is lower than the expected Net Proceeds of £98 million, in order to provide the Company with a degree of flexibility. This change affects the working capital statement provided in the Prospectus.

The Company is of the opinion that, on the basis that Net Proceeds of not less than £97 million are raised through the 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 Supplementary Prospectus.

4. Amounts of cash consideration which were to be received by the Seed Portfolio Project Holders pursuant to the Seed Portfolio Share Purchase Agreement will now be satisfied by the issue of additional Ordinary Shares to the Seed Portfolio Project Holders

The Seed Portfolio Share Purchase Agreement has been amended and restated to effect the following changes:

- No Cash Consideration will be payable and, instead, the element of the consideration for the acquisition of the Seed Portfolio which was to be payable in cash on Admission (after deducting any amount required to discharge any debt secured on the Seed Portfolio) will now be satisfied by the issue of Ordinary Shares (the "**Additional Consideration Shares**") on Admission at the Issue Price. The amount of this element of the consideration will be determined on Admission,

as it depends on the amount of debt outstanding on Admission, but is expected to be approximately £1.2 million.

- No Deferred Cash Consideration will be payable and, instead, the element of the consideration for the acquisition of the Seed Portfolio which was to be payable in instalments in cash upon satisfaction of certain operating cash flow metrics of the Seed Portfolio will now be satisfied by the issue of Ordinary Shares (the “**At Risk Consideration Shares**”) on Admission at the Issue Price. The At Risk Consideration Shares are subject to forfeiture provisions contained in the Amended and Restated Seed Portfolio Share Purchase Agreement under which all or part of the At Risk Consideration Shares will be forfeited by the holder at no cost to the Company if certain operating cash flow metrics of the Seed Portfolio are not satisfied over the period to 31 December 2019. The amount of this element of the consideration is unchanged at £3 million.
- The At Risk Consideration Shares are subject to the restrictions contained in the Lock-up and Orderly Market Deed save that they are subject to a lock-up period which expires on 31 January 2020, and not 24 months as described in paragraph 8.10 of Part 14 (*General Information*) of the Prospectus. The 24 month lock-up period described in paragraph 8.10 of Part 14 of the Prospectus will continue to apply to the Consideration Shares held by the Locked-up Shareholders but no lock-up period will apply in respect of any Additional Consideration Shares.

Arrangements in respect of the Deferred Project Consideration, are not being amended and the Deferred Project Consideration (if any) will payable in cash.

The Additional Consideration Shares and At Risk Consideration Shares will form part of the Issue for the purposes of the Prospectus. The changes result in a number of changes to the information provided in the Prospectus which are set out in Part 2 of this Supplementary Prospectus.

5. **Reinvestment into Ordinary Shares of principal due under Power Bonds by Bondholders**

Hazel Capital ESS 1 Ltd and HC ESS3 Limited have each issued bonds, the proceeds of which have financed the Staunch Project and the Roundponds Project respectively. These Power Bonds will be repaid in full at par, including any accrued interest (and, in the case of the Power Bonds issued by HC ESS3 Limited, an early repayment bonus of 6.365% of the principal amount outstanding), on Admission. Certain Bondholders have elected to reinvest the principal repayable under their Power Bonds in Ordinary Shares at the Issue Price and have entered into Bondholder Subscription Agreements to effect this, conditional only on Admission. The Ordinary Shares issued to Bondholders under the Bondholder Subscription Agreements will form part of the Issue for the purposes of the Prospectus. The reinvestment into Ordinary Shares by Bondholders of amounts of principal repayable under their Power Bonds results in a number of changes to the information provided in the Prospectus which are set out at Part 3 of this Supplementary Prospectus.

6. **Further information relating to the Prospectus**

Part 4 of this Supplementary Prospectus contains further information on the following:

- Paragraph 7.5 (*Major Shareholders*) of Part 14 (*General Information*) set out details of the 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. Part 4 of this Supplementary Prospectus sets out updated details of such persons who are known to the Company as at the date of this Supplementary Prospectus, assuming that no such person exercises any right to withdraw from any agreement to subscribe for or purchase Ordinary Shares as described in paragraph 7.1 of this Supplementary Prospectus, and assuming that 100 million Ordinary Shares are issued at Admission. These updated details should be read in substitution for the corresponding wording in the Prospectus. Other provisions of paragraph 7.5 (*Major Shareholders*) of Part 14 (*General Information*) remain in force as at the date of this Supplementary Prospectus.
- Changes to paragraph 7.7 of Part 14 (*General Information*) of the Prospectus, which sets out how Rule 9 of the Takeover Code might apply to the Company in respect of any person who acquires an interest (as defined in the Takeover Code) in shares which, taken together with shares in which he is already interested and shares in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code or acquires further interests in shares when he, together with persons

acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company, but does not hold more than 50 per cent. of such voting rights.

- The commission payable to Cantor Fitzgerald Europe under the Issue Agreement has been amended.
- The Company has obtained additional authorities to issue Ordinary Shares.
- The summary document which forms part of the Prospectus is supplemented in Part 4 of this Supplementary Prospectus.

7. **Additional information**

7.1 **Withdrawal rights**

In accordance with Section 87Q(4) FSMA, investors who have agreed before this Supplementary Prospectus is published to purchase or subscribe for Ordinary Shares the allotment of which has not become fully unconditional have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplementary Prospectus was published, to withdraw their agreement. Such investors should contact Computershare Investor Services plc, The Pavilions, Bridgewater Road, Bristol BS13 8AE, United Kingdom (in respect of the Offer for Subscription), or Cantor Fitzgerald, One Churchill Place, Canary Wharf, London E14 5RB (in respect of the Placing) should they wish to exercise their right of withdrawal.

If you have any queries regarding the procedure for withdrawal please call the Computershare Investor Services plc shareholder helpline on +44(0)370 707 1600 (in respect of the Offer for Subscription) or Cantor Fitzgerald on +44 (0) 20 7894 7719 (in respect of the Placing). Neither Computershare Investor Services plc nor Cantor Fitzgerald can provide advice on the merits of the Issue nor give any financial, legal or tax advice.

7.2 **Responsibility**

The Company, whose registered office appears below, and the Directors, whose names appear below, accept responsibility for the information contained in this Supplementary Prospectus. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Supplementary Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Directors of the Company are:

John Leggate (Chairman)
Duncan Neale
David Stevenson

The registered office of the Company is at:
7th Floor, 9 Berkeley Street, London W1J 8DW

7.3 **Documents Available for Inspection**

A copy of this Supplementary Prospectus will be available at The National Storage Mechanism which is located at <http://www.morningstar.co.uk/uk/nsm> and for as long as Shares are available for issue under the Prospectus and the Supplementary Prospectus, copies of the Prospectus and the Supplementary Prospectus are available for collection, free of charge from the offices of the Administrator. The Prospectus and the Supplementary Prospectus will also be available on the Company's website – newenergy.greshamhouse.com/esfplc.

Copies of the Amended and Restated Seed Portfolio Share Purchase Agreement, the form of a Bondholder Subscription Agreement and the Issue Agreement will be available for inspection between 9.00 a.m. and 5.00 p.m. on any day (Saturday, Sundays and public holidays excepted) at the offices of Eversheds Sutherland (International) LLP, One Wood Street, London EC2V 7WS, from the date of this Supplementary Prospectus until the Placing and Offer for Subscription close.

7.4 **Definitions**

Terms used in this document shall, unless the context otherwise requires, bear the meaning given to them in the Prospectus issued by Gresham House Energy Storage Fund PLC on 17 October 2018. To the extent that there is any inconsistency between any statement in or incorporated by reference in the Supplementary Prospectus and any other statement in or incorporated by reference in the Prospectus, the statements in or incorporated by reference in this Supplementary Prospectus will prevail.

6 November 2018

PART 2: AMOUNTS OF CASH CONSIDERATION WHICH WERE TO BE RECEIVED BY THE SEED PORTFOLIO PROJECT HOLDERS PURSUANT TO THE SEED PORTFOLIO SHARE PURCHASE AGREEMENT WILL NOW BE SATISFIED BY THE ISSUE OF ADDITIONAL ORDINARY SHARES TO THE SEED PORTFOLIO PROJECT HOLDERS

- The definitions of “Cash Consideration”, “Deferred Cash Consideration” and “Seed Portfolio Share Purchase Agreement” are deleted and the following new definitions are included in the appropriate alphabetical position in Part 4 (*Definitions*) of the Prospectus:

Additional Consideration Shares the element of the consideration under the Amended and Restated Seed Portfolio Share Purchase Agreement to be satisfied by the issue, in addition to the Consideration Shares and the At Risk Consideration Shares, on Admission of Ordinary Shares at the Issue Price to the Seed Portfolio Project Holders (or, in the case of HC ESS 1 LLP, its members);

Amended and Restated Seed Portfolio Share Purchase Agreement the amended and restated conditional share purchase agreement entered into between the Company and each Seed Portfolio Project Holder, Ben Guest, Gareth Owen and Bozkurt Aydinoglu dated 5 November 2018;

At Risk Consideration Shares the 3,000,000 Ordinary Shares to be issued (in addition to the Consideration Shares and the Additional Consideration Shares) on Admission at the Issue Price to the Seed Portfolio Project Holders (or, in the case of HC ESS 1 LLP, its members) and which are subject to forfeiture by the holder if certain operating cash flow metrics of the Seed Portfolio over the period to 31 December 2019 are not satisfied;

- To the extent that they are not otherwise altered by the changes set out in this Supplementary Prospectus, all references in the Prospectus to “Seed Portfolio Share Purchase Agreement” will be construed as references to “Amended and Restated Seed Portfolio Share Purchase Agreement”
- The first sentence of paragraph 6 (*Seed Portfolio and further pipeline*) of Part 8 (*The Company*) is deleted and replaced by:

“The proceeds of the Issue will include the cash proceeds of the Placing and Offer for Subscription and from Bondholders who have elected to reinvest into Ordinary Shares the principal amount under their Power Bonds which is repayable on Admission and, as non-cash consideration, the Seed Portfolio which will be acquired by the Company on Admission in consideration for the issue of the Consideration Shares, the Additional Consideration Shares and the At Risk Consideration Shares. The Company intends to use part of the proceeds of the Issue that it receives in cash to pay the Deferred Project Consideration if the Deferred Project Consideration should become payable.”

- The text of paragraph 7 (*Cornerstone investors*) of Part 8 (*The Company*) is deleted and replaced by:

“The Company has secured commitments from members of the Gresham House management team and vehicles owned by them, funds under management of the Gresham House Group, Noriker and the shareholders of Noriker. These investors have agreed to commit in aggregate at least £36 million including receipt of the Consideration Shares, Additional Consideration Share and At Risk Consideration Shares and, in the case of Lux Energy and BSIF, Ordinary Shares subscribed on Admission under the Subscription Agreement. In aggregate, approximately 36 per cent. of Ordinary Shares issued by the Company will be held by these investors on Admission, assuming that 100 million Ordinary Shares are issued. Each such investor has entered into the Lock-up and Orderly Market Deed. Further information on the terms of the

Lock-up and Orderly Market Deeds is provided in paragraph 8.9 of Part 14 (General Information) of this Prospectus."

- The first sub-paragraph of paragraph 4 (*Valuation of the Seed Portfolio*) of Part 9 (*Seed Portfolio and Exclusivity Portfolio*) is deleted and replaced by:

"The aggregate amount payable by the Company for the Acquisition and repayment of debt is £57,220,000 (not taking into account any working capital balance or cash held by any of the Seed Project Companies or the Deferred Project Consideration). The consideration for the Acquisition is comprised of the issue of the Consideration Shares, the Additional Consideration Shares and the At Risk Consideration Shares on Admission and payment of the Deferred Project Consideration, if any, after Admission. The At Risk Consideration Shares will be forfeited by the Seller at no cost to the Company if certain operation cash flow metrics of the Seed Portfolio over the period to 31 December 2019 are not satisfied."

- The first and second sentences of the third sub-paragraph of paragraph 4 (*Valuation of the Seed Portfolio*) of Part 9 (*Seed Portfolio and Exclusivity Portfolio*) is deleted and replaced by:

"The consideration for the acquisition of the Seed Portfolio will be satisfied by the issue of the Consideration Shares, the Additional Consideration Shares and the At Risk Consideration Shares on Admission. The cash proceeds of the Issue will be used, in part, to pay the Deferred Project Consideration, if any, which may be payable after Admission."

- The first sub-paragraph of paragraph 9 (*Use of proceeds*) of Part 11 (*The Issue*) is deleted and replaced by:

"The proceeds of the Issue will comprise cash received under the Placing and the Offer for Subscription and from Bondholders who have elected to reinvest into Ordinary Shares the principal amount under their Power Bonds which is repayable on Admission; the cash subscriptions in respect of Ordinary Shares issued under the Subscription Agreement; and the Seed Portfolio, which will be acquired by the Company on Admission and the consideration for which will be satisfied by the issue of the Consideration Shares, the Additional Consideration Shares and the At Risk Consideration Shares on Admission. Cash proceeds of the Issue will be used to meet the Issue Expenses and for investment in accordance with the Company's investment policy, including the payment of any Deferred Project Consideration which may be payable after Admission and the repayment on Admission of debt owed by the Seed Project Companies. The proceeds of the Placing Programme will be used for investment in accordance with the Company's investment policy."

- The reference to £32 million in the fourth sub-paragraph of paragraph 9 (*Use of proceeds*) of Part 11 (*The Issue*) is replaced by a reference to £36 million.

- Paragraph 8.7 (*Seed Portfolio Share Purchase Agreement*) of Part 14 (*General Information*) is deleted and replaced by:

"The Company entered into the Seed Portfolio Share Purchase Agreement with each of the Seed Portfolio Project Holders, Ben Guest, Gareth Owen and Bozkurt Aydinoglu on 16 October 2018, which was amended and restated by all parties on 5 November 2018 in respect of the sale of 100 per cent. of the issued share capital in each Seed Project Company. The Seed Portfolio Project Holders have 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 Amended and Restated Seed Portfolio Share Purchase Agreement, which will be deemed repeated at Admission. The Seed Portfolio Project Holders have also given tax indemnities in respect of certain tax liabilities that arose prior to completion of the Acquisition. The Amended and Restated Seed Portfolio Share Purchase Agreement is conditional upon Admission. The consideration for the Acquisition comprises the issue of the Consideration Shares, the Additional Consideration Shares and the At Risk Consideration Shares on Admission and may include any Deferred Project Consideration which becomes payable after Admission. Under the terms of the Amended and Restated Seed Portfolio Share Purchase Agreement, the Company will procure that the Seed Project Companies repay any debt which they owe. The Deferred Project Consideration may be payable in the event certain conditions are met within 12 months after Admission, such as securing lease extensions or planning consent. The At Risk Consideration Shares will be forfeited by the holder at no cost to the Company if certain operating cash flow metrics of the Seed Portfolio are not satisfied over the period to 31 December 2019."

PART 3: REINVESTMENT INTO ORDINARY SHARES OF PRINCIPAL DUE UNDER POWER BONDS BY BONDHOLDERS

- The definition of "Issue" is deleted and replaced by:

Issue the issue of Ordinary Shares pursuant to the Placing and the Offer for Subscription, the subscription of Ordinary Shares pursuant to the Subscription Agreement and the Bondholder Subscription Agreements and the issue of the Consideration Shares, the Additional Consideration Shares and the At Risk Consideration Shares pursuant to the Amended and Restated Seed Portfolio Share Purchase Agreement, all at the Issue Price;

- The following new definitions are included in the appropriate alphabetical position in Part 4 (*Definitions*) of the Prospectus:

Bondholder a holder of Power Bonds

Bondholder Agreements **Subscription** the series of subscription agreements entered into by the Company with certain Bondholders pursuant to which such Bondholders elect to reinvest, conditional only on Admission, the principal amount of Power Bonds repayable to them into Ordinary Shares at the Issue Price;

Power Bonds the bonds known as "Power Bonds" issued by Hazel Capital ESS 1 Ltd under a bond instrument dated 26 September 2016 and by HC ESS3 Limited under a bond instrument dated 27 June 2018;

PART 4: FURTHER INFORMATION

1. Major Shareholders

As at the date of this Supplementary 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 100 million Ordinary Shares being issued at Admission)
Ben Guest*+	11,475,486	11.5
Gresham House (Nominees) Limited, as nominee for BSIF***+	16,708,379	16.7
Noriker Power Ltd***+	4,135,650	4.1

+Ordinary Shares are subject to the provisions of the Lock-up and Orderly Market Deed.

* Ben Guest will, conditional on Admission, receive an aggregate of 4,695,420 Ordinary Shares in satisfaction of the Consideration Shares, Additional Consideration Shares and At Risk Consideration Shares due to him under the Seed Portfolio Share Purchase Agreement. The number of Additional Consideration Shares Ben Guest will receive, conditional on Admission, will be determined on Admission but is expected to be approximately 433,186 Ordinary Shares. Lux Energy Limited, a company wholly owned by Ben Guest has entered into the Subscription Agreement with the Company under which, conditional only on Admission, it will subscribe on the date of Admission for 6,780,066 Ordinary Shares at the Issue Price.

** BSIF will, conditional on Admission, receive an aggregate of 699,997 Ordinary Shares in satisfaction of the Consideration Shares, Additional Consideration Shares and At Risk Consideration Shares due to it under the Seed Portfolio Share Purchase Agreement. The number of Additional Consideration Shares BSIF will receive, conditional on Admission, will be determined on Admission but is expected to be approximately 49,267 Ordinary Shares. BSIF has also entered into the Subscription Agreement with the Company under which, conditional only on Admission, it will subscribe on the date of Admission for 16,008,382 Ordinary Shares at the Issue Price.

*** Noriker Power Ltd will, conditional on Admission, receive an aggregate of 4,135,650 Ordinary Shares in satisfaction of the Consideration Shares, Additional Consideration Shares and At Risk Consideration Shares due to it under the Seed Portfolio Share Purchase Agreement. The number of Additional Consideration Shares Noriker Power Ltd will receive, conditional on Admission, will be determined on Admission but is expected to be approximately 313,908 Ordinary Shares.

2. Application of Takeover Code to a concert party

Paragraph 7.7 of Part 14 (*General Information*) of the Prospectus sets out how, under Rule 9 of the Takeover Code, any person who acquires an interest (as defined in the Takeover Code) in shares which, taken together with shares in which he is already interested and shares in which persons acting in concert with him are interested, 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 (subject to certain limited exceptions). Similarly, when any person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company, but does not hold more than 50 per cent. of such voting rights, a general offer will normally be required if any further interests in shares are acquired by any such person (subject to certain limited exceptions). Where a person, together with persons acting in concert with him, is interested in shares which in the aggregate carry more than 50 per cent. of such voting rights, such person may in general acquire additional shares and a general offer will not be required although individual members of a concert party will not be able to increase their percentage interests in shares through or between a Rule 9 threshold without Panel consent.

The first and second sub-paragraphs are deleted and replaced by:

"Certain Shareholders who are members of the Gresham House management team, funds under management of the Gresham House Group, Noriker and the shareholders of Noriker will receive Consideration Shares, Additional Consideration Shares and At Risk Consideration Shares in respect of the sale of the Seed Portfolio to the Company under the Seed Portfolio Share Purchase Agreement. In

addition, each of Lux Energy and BSIF have entered into the Subscription Agreement under which each of them has, conditional only on Admission, subscribed for Ordinary Shares in the Company to be issued at the Issue Price, payable in cash in full on Admission.”

“In aggregate, these Shareholders (the “Concert Party”) will hold at least 36,000,000 Ordinary Shares, representing at least 36 per cent. of the Company’s issued Ordinary Share capital following the Issue assuming that 100 million Shares are issued at Admission. The members of the Concert Party are considered to be acting in concert, as such term is used in the Takeover Code on the basis that they are shareholders in private companies (being the Seed Project Companies) who sell their shares in those companies in consideration for the issue of new shares in a company to which the Code applies. Members of the Concert Party will not receive, or have an interest in, Shares representing more than 49 per cent. of the voting rights of the Company at Admission. As soon as practicable following Admission, the Company will announce the aggregate interests in the voting rights of the Company held by the Concert Party. Following Admission, any acquisitions of additional interests in Shares by or on behalf of a member of the Concert Party which would increase the aggregate interests in Shares of the Concert Party as a whole would trigger a mandatory offer under Rule 9 of the Takeover Code. Individual members of the Concert Party remain subject to the mandatory offer provisions of Rule 9 and any acquisition of additional interests in Shares by or on behalf of a member of the Concert Party which would increase the interests in Shares of that member to 30% or more would trigger a mandatory offer under Rule 9.”

3. **Amendment to commission payable to Cantor Fitzgerald Europe under the Issue Agreement**

- The definition of “Issue Agreement” is deleted and the following new definition is included in the appropriate alphabetical position in Part 4 (*Definitions*) of the Prospectus:

Amended and Restated Issue Agreement

the amended and restated conditional placing and offer agreement between the Company, Gresham House, the Directors and Cantor Fitzgerald, details of which are set out in paragraph 8.4 of Part 14 (General Information) of this Prospectus);

- To the extent that they are not otherwise altered by the changes set out in this Supplementary Prospectus, all references in the Prospectus to Issue Agreement will be construed as references to the “Amended and Restated Issue Agreement”.
- The first sentence of the first sub-paragraph of paragraph 8.4 (*Issue Agreement*) of Part 14 (*General Information*) is deleted and replaced by:

“In connection with the Placing and Placing Programme, the Company, the Directors, Gresham House and Cantor Fitzgerald entered into the Issue Agreement on 17 October 2018, which was amended and restated by those parties on 5 November 2018.”

- Sub-paragraph (b)(ii) of paragraph 8.4 (*Issue Agreement*) of Part 14 (*General Information*) is deleted and replaced by:

“a placing commission of up to two per cent. of the portion of the Gross Proceeds that are not attributable to Ordinary Shares issued to members of the Gresham House Group, entities managed or advised by members of the Gresham House Group and individuals and investors in members of the Gresham House Group, as the Manager and Cantor Fitzgerald shall agree, both parties acting reasonably, less an amount equal to the reasonably and properly incurred costs relating to the Issue allocable to Cantor Fitzgerald pursuant to the Amended and Restated Placing and Offer Agreement.”

4. **Company authority to issue Ordinary Shares.**

On 5 November 2018 the Company passed the following ordinary and special resolutions to give the Board power to allot and issue further Ordinary Shares.

- (a) THAT, in addition to the Company’s existing authorities, the directors of the Company (the “**Directors**”) be and are hereby generally and unconditionally authorised in accordance with

section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot ordinary shares of £0.01 each in the capital of the Company (the "Ordinary Shares") up to an aggregate nominal amount of £2 million in connection with (i) subscriptions of Ordinary Shares in the Company by the holders of power bonds issued by Hazel Capital ESS 1 Ltd and HC ESS3 Limited, on the terms and subject to the conditions set out in the relevant subscription agreements, the prospectus of the Company published on 17 October 2018, as supplemented from time to time (the "Prospectus") and the key information document published by the Company; and (ii) the issue of the Additional Consideration Shares and the At Risk Consideration Shares pursuant to the Seed Portfolio Share Purchase Agreement (as defined in the Prospectus) as amended and restated on 5 November 2018 on the terms and subject to the conditions set out in the Prospectus (together the "Further Issue"), such authority to expire immediately following the date on which admission of the shares issued pursuant to the Company's initial public offering to trading on the Specialist Fund Segment of the main market London Stock Exchange plc for listed securities first becomes effective (the "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.

- (b) THAT the Directors be and are hereby generally empowered (pursuant to section 570 of the Act) to allot Ordinary Shares for cash pursuant to the authority referred to in Resolution (a) above as if section 561 of the Act did not apply to any such allotment, such power to expire immediately following Admission in respect of the Further Issue, save that the Company may before such expiry make an offer or 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 offer or agreement as if the power had not expired.

5. Supplements to the Summary

B.6	Notifiable interests, different voting rights and controlling interests	The Directors intend to subscribe for the following Shares under the Offer for Subscription:		
			Shares	
		John S Leggate	5,000	
		Duncan Neale	5,000	
		David Stevenson	5,000	
		The Directors, members of the Gresham House management team, funds under management of the Gresham House Group, Noriker and the shareholders of Noriker intend to invest at least £36 million in aggregate pursuant to the Issue.		
		As at the date of this Supplementary 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 100 million Ordinary Shares being issued at Admission)
		Ben Guest**	11,475,486	11.5
		Gresham House (Nominees) Limited, as nominee for BSIF***	16,708,379	16.7
		Noriker Power Ltd ****	4,135,650	4.1
		+Ordinary Shares are subject to the provisions of the Lock-up and Orderly Market Deed.		

		<p>* Ben Guest will, conditional on Admission, receive an aggregate of 4,695,420 Ordinary Shares in satisfaction of the Consideration Shares, Additional Consideration Shares and At Risk Consideration Shares due to him under the Seed Portfolio Share Purchase Agreement. The number of Additional Consideration Shares Ben Guest will receive, conditional on Admission, will be determined on Admission but is expected to be approximately 433,186 Ordinary Shares. Lux Energy Limited, a company wholly owned by Ben Guest has entered into the Subscription Agreement with the Company under which, conditional only on Admission, it will subscribe on the date of Admission for 6,780,066 Ordinary Shares at the Issue Price.</p> <p>** BSIF will, conditional on Admission, receive an aggregate of 699,997 Ordinary Shares in satisfaction of the Consideration Shares, Additional Consideration Shares and At Risk Consideration Shares due to it under the Seed Portfolio Share Purchase Agreement. The number of Additional Consideration Shares BSIF will receive, conditional on Admission, will be determined on Admission but is expected to be approximately 49,267 Ordinary Shares. BSIF has also entered into the Subscription Agreement with the Company under which, conditional only on Admission, it will subscribe on the date of Admission for 16,008,382 Ordinary Shares at the Issue Price.</p> <p>*** Noriker Power Ltd will, conditional on Admission, receive an aggregate of 4,135,650 Ordinary Shares in satisfaction of the Consideration Shares, Additional Consideration Shares and At Risk Consideration Shares due to it under the Seed Portfolio Share Purchase Agreement. The number of Additional Consideration Shares Noriker Power Ltd will receive, conditional on Admission, will be determined on Admission but is expected to be approximately 313,908 Ordinary Shares.</p>
B.11	Insufficiency of working capital	Not applicable; the Company is of the opinion that, on the basis that Net Proceeds of not less than £97 million are raised through the Issue the working capital available to it is sufficient for the Company's present requirements (that is, for at least twelve months from the publication date of this Prospectus).
E.2	Use of proceeds	<p>The first sentence is deleted and replaced by:</p> <p><i>"The Issue and the Placing Programme is intended to raise money for investment in accordance with the Company's investment policy, including the payment of the Deferred Project Consideration in respect of the Acquisition."</i></p>
E.3	Terms and conditions of the Issue and the Placing Programme	<p>The first sentence is amended to read:</p> <p><i>"The Issue consists of a placing and an offer for subscription of Ordinary shares which are being issues at 100p per Ordinary Share and the issue of the Consideration Shares, Additional Consideration Shares and At Risk Consideration Shares to satisfy the consideration for the Acquisition, and of the subscription for Ordinary Shares by Ben Guest and BSIF under the Subscription Agreement and the subscription for Ordinary Shares by Bondholders who have elected to reinvest the principal repayable to them under the terms of their Power Bonds."</i></p>

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Gresham House Asset Management Limited is authorised and regulated by the Financial Conduct Authority

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