IMPORTANT: YOU MUST READ THE FOLLOWING DISCLAIMER BEFORE CONTINUING.

THE FOLLOWING DISCLAIMER APPLIES TO THE ATTACHED PROSPECTUS AND YOU THEREFORE MUST READ THIS DISCLAIMER PAGE CAREFULLY BEFORE ACCESSING, READING OR MAKING ANY OTHER USE OF THE PROSPECTUS. IN ACCESSING THE PROSPECTUS, YOU AGREE TO BE BOUND BY THE FOLLOWING TERMS AND CONDITIONS.

THIS PROSPECTUS IS NOT DIRECTED AT PERSONS IN THE UNITED STATES OR PERSONS RESIDENT OR LOCATED IN AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE THE EXTENSION OF AVAILABILITY OF THE PROSPECTUS WOULD BREACH ANY APPLICABLE LAW OR REGULATION.

The new ordinary shares (the "**New Ordinary Shares**") offered by HICL Infrastructure Company Limited (the "**Company**") have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or under any applicable state securities laws of the United States, and may not be offered, sold, pledged or otherwise transferred directly or indirectly in or into the United States, or to or for the account or benefit of any US person within the meaning of Regulation S ("**Regulation S**") under the Securities Act. Shareholders and beneficial owners in the United States will not be able to participate in the offer.

Relevant clearances have not been, and will not be, obtained from the securities commission (or equivalent) of any province of Australia, Canada, Japan or the Republic of South Africa, any EEA member state (other than the United Kingdom, Ireland and Sweden), or any other jurisdiction where local law or regulations may result in a risk of civil, regulatory, or criminal exposure or prosecution if information or documentation concerning the issue or this Prospectus is sent or made available to a person in that jurisdiction (each a "**Restricted Jurisdiction**") and, accordingly, unless an exemption under any relevant legislation or regulations is applicable, none of the New Ordinary Shares may be offered, sold, renounced, transferred or delivered, directly or indirectly, in any Restricted Jurisdiction.

This Prospectus has been approved by the Financial Conduct Authority as a prospectus which may be used to offer securities to the public for the purposes of section 85 of the Financial Services and Markets Act 2000 (as amended) ("**FSMA**") and the Prospectus Directive (2003/7/EC, as amended by Directive 2010/73/EU). No arrangement has however been made with the competent authority in any other EEA state (or any other jurisdiction) for the use of this Prospectus as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdictions. Access to this Prospectus from other jurisdictions may be restricted by law and persons situated outside the United Kingdom should inform themselves about, and observe any such restrictions. The Company has not applied to offer the New Ordinary Shares to investors under the national private placement regime of any EEA State, save for the United Kingdom, Ireland and Sweden.

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, shares in any jurisdiction in which such offer or solicitation is unlawful.

By accessing the prospectus you are representing to the Company and its advisers that you are not: (i) a US Person (within the meaning of Regulation S under the Securities Act); or (ii) in the United States or any jurisdiction where accessing this Prospectus may be prohibited by law; or (iii) a resident of Australia, Canada, Japan, the Republic of South Africa or any other Restricted Jurisdiction, and that you will not offer, sell, renounce, transfer or deliver, directly or indirectly, New Ordinary Shares subscribed for by you in the United States, Australia, Canada, Japan, the Republic of South Africa or any other Restricted Jurisdiction or to any US Person or resident of Australia, Canada, Japan, the Republic of South Africa or any other Restricted Jurisdiction.

Canaccord Genuity Limited ("**Canaccord Genuity**") is acting exclusively for the Company and is not advising any other person or treating any other person (whether or not a recipient of this Prospectus) as its client in relation to the issue of New Ordinary Shares or in relation to the matters referred to in this Prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for affording advice in relation to the issue of New Ordinary Shares or any transaction or arrangement referred to in this Prospectus.

Canaccord Genuity does not accept any responsibility whatsoever for this Prospectus. Canaccord Genuity makes no representation or warranty, express or implied, for the contents of this Prospectus including its accuracy, completeness or verification or for any other statement made or purported to be made by it or on its behalf in connection with the Company or the New Ordinary Shares. Canaccord Genuity accordingly disclaims to the fullest extent permitted by law 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. Nothing in this paragraph shall serve to limit or exclude any of the responsibilities and liabilities, if any, which may be imposed on Canaccord Genuity by FSMA or the regulatory regime established thereunder.

Each investor should read the Prospectus in full before making an investment decision.

HICL Infrastructure

Delivering Real Value

Prospectus 2017

Placing, Open Offer, Offer for Subscription and Intermediaries Offer of New Ordinary Shares

HICL Infrastructure Company Limited

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document you should consult a person authorised for the purposes of FSMA who specialises in advising on the acquisition of shares and other securities.

A copy of this Prospectus, which comprises a prospectus relating to the Company, prepared in accordance with the Prospectus Rules of the FCA made pursuant to section 73A of FSMA, has been delivered to the FCA and has been made available to the public in accordance with Rule 3.2 of the Prospectus Rules.

This Prospectus is being issued in connection with the Issue, under a Placing, Open Offer, Offer of Subscription and Intermediaries Offer, of up to 163,522,013 New Ordinary Shares. It is expected that application will be made to the UK Listing Authority for all of the New Ordinary Shares to be issued pursuant to the Issue to be admitted to the Official List with a premium listing, and to the London Stock Exchange for all such New Ordinary Shares to be admitted to trading on the Main Market. It is expected that Admission in respect of the New Ordinary Shares issued pursuant to the Issue will become effective, and that unconditional dealings in such New Ordinary Shares will commence on 24 March 2017. All dealings in New Ordinary Shares prior to the commencement of unconditional dealings will be at the sole risk of the parties concerned. Notwithstanding the target Issue size of 128,930,818 New Ordinary Shares, this Prospectus relates to the issue by the Company of up to 163,522,013 million New Ordinary Shares (being the maximum size of the Issue).

The New Ordinary Shares are not dealt in on any other recognised investment exchanges and no applications for the New Ordinary Shares to be traded on any such other exchanges have been made or are currently expected to be made.

The Company and its Directors, whose names appear on page 42 of this document, accept responsibility for the information contained herein. To the best of the knowledge of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Prospective investors should read this entire document and, in particular, the matters set out under in the section headed ''Risk Factors'' in this Prospectus, when considering an investment in the Company.

HICL INFRASTRUCTURE COMPANY LIMITED

(*incorporated in Guernsey with registered no. 44185*)

Placing, Open Offer, Offer of Subscription and Intermediaries Offer of up to 163,522,013 New Ordinary Shares at an Issue Price of 159 pence per New Ordinary Share

and

Admission to the Official List and to trading on the Main Market

Information relating to the prior issue of 66,727,515 Ordinary Shares

Investment Adviser	*Sponsor and Placing Agent*
InfraRed Capital Partners Limited	**Canaccord Genuity Limited**

Canaccord Genuity, which is authorised by the FCA, is acting for the Company and no-one else in connection with the Issue and the contents of this document and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Canaccord Genuity or for affording advice in relation to the Issue and the contents of this document or any matters referred to herein. Nothing in this paragraph shall serve to exclude or limit any responsibilities which Canaccord Genuity may have under FSMA or the regulatory regime established thereunder.

Apart from the responsibilities and liabilities, if any, which may be imposed on Canaccord Genuity by FSMA (or the regulatory regime established thereunder), Canaccord Genuity accepts no responsibility whatsoever nor makes any representation or warranty, express or implied, for or in respect of the contents of this Prospectus, including its accuracy, completeness or verification or regarding the legality of the Issue or for any other statement made or purported to be made by Canaccord Genuity or on Canaccord Genuity's behalf, in connection with the Company and/or the Issue and nothing in this Prospectus is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or the future. Canaccord Genuity accordingly disclaims to the fullest extent permitted by applicable law all and any responsibility and liability whether arising in tort, contract or otherwise which it might otherwise be found to have in respect of this Prospectus or any such statement.

The New Ordinary Shares offered by this document have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold, pledged or otherwise transferred directly or indirectly in or into the United States, or to or for the account or benefit of any US person within the meaning of Regulation S, subject to certain exceptions. The New Ordinary Shares may be offered and sold outside the United States only in ''offshore transactions'' to persons that are not US persons as defined in, and in reliance on, Regulation S. Shareholders and beneficial owners in the United States will not be able to participate in the Issue unless they meet the legal requirements needed to establish their eligibility to participate in the Issue to the satisfaction of the Company, including making appropriate representations to that effect. See the sections headed ''Important Information – Notice to US investors'', ''Notices to Non-UK Investors – For the attention of United States investors'', ''Terms and Conditions of the Open Offer'' and ''Terms and Conditions of the Application under the Offer for Subscription'' in this Prospectus.

This Prospectus is dated 23 February 2017.

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SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A-E (A.1-E.7).

This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some elements are not required to be addressed there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted into the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

Section A –		
A.1	Warning	**This summary should be read as an introduction to this Prospectus.** **Any decision to invest in the securities should be based on consideration of the full text of this Prospectus by the investor.** **Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of a member state of the European Union, have to bear the costs of translating this Prospectus before the legal proceedings are initiated.** **Civil liability attaches only to those persons who are responsible for this summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.**
A.2	Subsequent resale of securities or final placement of securities through financial intermediaries	The Company consents to the use of this Prospectus by Intermediaries in connection with the subsequent resale or final placement of securities by Intermediaries. The offer period within which any subsequent resale or final placement of financial securities by Intermediaries can be made, and for which consent is given to Intermediaries to use this Prospectus, commences on 23 February 2017 and closes at 11.00 a.m. on 17 March 2017 unless closed prior to that date. **Information on the terms and conditions of any subsequent resale or final placement of securities by any Intermediary is to be provided at the time of the offer by the Intermediary. Any applications made by prospective investors to any Intermediary are subject to the terms and conditions approved by each Intermediary.**
Section B – Issuer		
B.1	Legal and Commercial Name	HICL Infrastructure Company Limited.
B.2	Domicile/Legal Form/ Legislation/Country of Incorporation	The Company is a closed-ended investment company, incorporated with limited liability in Guernsey on 11 January 2006, and organised under the Law.

<table>
<tr><td>B.5</td><td>Group Structure</td><td>The Company is the parent company of the Group, which comprises the Company, the Luxcos and the Partnership.

The Company invests in equity and debt of Luxco 1, a société à responsabilité limitée established in Luxembourg, which in turn invests in the equity and debt of a similar entity, Luxco 2. Both Luxco 1 and Luxco 2 are wholly owned subsidiaries of the Company.

Luxco 2 is the sole limited partner in the Partnership, an English limited partnership which has a special purpose vehicle as its general partner. The General Partner is a wholly owned indirect subsidiary of InfraRed Partners LLP.

Luxco 2 invests the contributions it receives from Luxco 1 in capital contributions and partner loans to the Partnership, which acquires and holds the infrastructure investments directly or indirectly through intermediate wholly owned companies and/or other entities.</td></tr>
<tr><td>B.6</td><td>Notifiable interests</td><td>As at the date of this Prospectus, the Directors and their connected persons hold the following Ordinary Shares in the Company are:

<table><tr><th></th><th>Number of Ordinary Shares held</th></tr><tr><td>Ian Russell</td><td>39,745</td></tr><tr><td>Frank Nelson</td><td>25,000</td></tr><tr><td>Sarah Evans</td><td>251,496</td></tr><tr><td>Sally-Ann Farnon</td><td>21,683</td></tr><tr><td>Simon Holden</td><td>0</td></tr><tr><td>Kenneth D. Reid</td><td>0</td></tr><tr><td>Chris Russell</td><td>93,895</td></tr></table>
As at the date of this Prospectus, the Directors intend to subscribe for, in aggregate, 115,000 New Ordinary Shares pursuant to the Issue.

As at the close of business on 21 February 2017 (being the latest practicable date prior to publication of this Prospectus), the following registered holdings representing a direct or indirect interest of five per cent. or more of the Company's issued share capital were recorded on the Company's share register:

<table><tr><th>Shareholder</th><th>Number of Ordinary Shares held</th><th>Percentage held</th></tr><tr><td>Newton Investment Management Limited</td><td>138,846,056</td><td>9.52%</td></tr><tr><td>Schroder Investment Management Limited</td><td>120,381,959</td><td>8.25%</td></tr><tr><td>Investec Wealth and Investment Limited</td><td>73,488,215</td><td>5.04%</td></tr></table></td></tr>
</table>

<table>
<tr><td>B.7</td><td>Historical financial information</td><td>The selected historical financial information set out below has been extracted directly on a straightforward basis from the audited accounts of the Company for the financial years ended 31 March 2014, 31 March 2015 and 31 March 2016 and the unaudited interim reports for the six month periods ended 30 September 2015 and 30 September 2016:
<table>
<tr><th>Net asset values</th><th>For the six month period ended 30 Sept 2016</th><th>For the year ended 31 March 2016</th><th>For the six month period ended 30 Sept 2015</th><th>For the year ended 31 March 2015</th><th>For the year ended 31 March 2014</th></tr>
<tr><td>Net assets (£m)</td><td>2,123.4</td><td>1,973.9</td><td>1,849.7</td><td>1,732.9</td><td>1,529.5</td></tr>
<tr><td>Net assets per ordinary share (p)</td><td>145.7</td><td>142.2</td><td>139.1</td><td>136.7</td><td>126.7</td></tr>
<tr><td>Net asset value per ordinary share (post distribution) (p)</td><td>143.8</td><td>140.3</td><td>137.2</td><td>134.8</td><td>123.1</td></tr>
</table>
<table>
<tr><th>Results on an IFRS basis</th><th>For the six month period ended 30 Sept 2016</th><th>For the year ended 31 March 2016</th><th>For the six month period ended 30 Sept 2015</th><th>For the year ended 31 March 2015</th><th>For the year ended 31 March 2014</th></tr>
<tr><td>Total income (£m)</td><td>86.2</td><td>182.8</td><td>84.4</td><td>253.5</td><td>169.3</td></tr>
<tr><td>Profit before net finance costs and tax (£m)</td><td>85.3</td><td>159.5</td><td>71.5</td><td>233.1</td><td>149.7</td></tr>
<tr><td>Profit before tax (£m)</td><td>85.3</td><td>157.4</td><td>71.7</td><td>231.0</td><td>153.8</td></tr>
<tr><td>Earnings per share (basic and diluted) (p)</td><td>6.1</td><td>11.9</td><td>5.6</td><td>18.6</td><td>13.1</td></tr>
<tr><td>Shareholders' equity at the relevant date</td><td>2,123.4</td><td>1,973.9</td><td>1,849.7</td><td>1,732.9</td><td>1,529.5</td></tr>
</table>
Save for the completion of 33 new acquisitions and 23 follow-on investments for an aggregate consideration of approximately £782.5 million, one committed acquisition for consideration of US$166 million, five disposals for an aggregate consideration of £126.4 million, eight tap issues pursuant to which 321,548,708 Ordinary Shares were issued in aggregate and gross proceeds of £476.37 million were raised in aggregate, the payment of 14 quarterly interim dividends totalling 25.67 pence in aggregate and the declaration of a third interim quarterly dividend of 1.91 pence on 22 February 2017, there has been no significant change in the financial condition or operating results of the Group during or subsequent to the period covered by the historical financial information detailed above.</td></tr>
<tr><td>B.8</td><td>Pro forma financial information</td><td>Not applicable. This Prospectus does not contain any pro forma financial information.</td></tr>
<tr><td>B.9</td><td>Profit forecast</td><td>Not applicable. There are no profit forecasts in this Prospectus.</td></tr>
<tr><td>B.10</td><td>Qualification in the audit report</td><td>Not applicable. The audit reports on the historical financial information incorporated by reference into this Prospectus are not qualified.</td></tr>
<tr><td>B.11</td><td>Insufficiency of Working capital</td><td>Not applicable. In the Company's opinion, the Group has sufficient working capital for its present requirements (that is, for at least the 12 months following the date of this Prospectus).</td></tr>
</table>

B.34	Investment objective and investment policy	**Investment Objective** The Company seeks to provide investors with long-term, stable income from a portfolio of infrastructure investments that is positioned at the lower end of the risk spectrum. In addition to generating sustainable dividends, the Company aims to preserve the capital value of its investment portfolio over the long term, with potential for capital growth, and provide a degree of correlation between the return[1] to shareholders and changes in inflation rates. The Company is targeting an IRR of 7 to 8 per cent. on the original issue price of its Ordinary Shares in March 2006, to be achieved over the long term via active management, including the acquisition by the Group of further investments to complement the Current Portfolio, and by the prudent use of gearing. **Investment Policy** The Group's investment policy is to ensure a diversified portfolio which has a number of similarly sized investments and is not dominated by any single investment. The Group will seek to acquire further Infrastructure Equity investments with similar characteristics to the Current Portfolio. The Group will also seek to enhance returns for Shareholders by acquiring more diverse infrastructure investments. The Directors currently intend that the Group may invest in aggregate up to 35 per cent. of its total assets (at the time the relevant investment is made) in: • Project Companies which have not yet completed the construction phases of their concessions; and/or • Project Companies with "demand" based concessions where the Investment Adviser considers that demand and stability of revenues are not yet established, and/or Project Companies which do not have public sector sponsored/awarded or government-backed concessions; and • to a lesser extent (but counting towards the same aggregate 35 per cent. limit) in limited partnerships and other funds that make infrastructure investments and/or financial instruments and securities issued by companies that make infrastructure investments, or whose activities are similar or comparable to infrastructure investments. **Geographic focus** The Directors believe that attractive opportunities for the Group to enhance returns for investors are likely to arise outside as well as within the UK (where the majority of the projects in the Current Portfolio are based). The Group may therefore make investments in the European Union, Norway, Switzerland, the Americas and selected territories in Asia and Australasia. The Group may also make investments in other markets should suitable opportunities arise. The Group will seek to mitigate country risk by concentrating on investment opportunities in jurisdictions where it considers that contract structures and enforceability are reliable and where (to the extent applicable) public sector obligations carry what the Investment Adviser believes to be a satisfactory credit rating and where financial markets are relatively mature. **Single investment limit and diversity of Clients and suppliers** For each new acquisition made, the Company will ensure that such investment acquired does not have an acquisition value (or, if it is a further stake in an existing investment, the combined value of both the existing stake and the further stake acquired is not) greater than 20 per cent. of the total gross assets of the Company immediately post

1 Return measured on the basis of movements in NAV per ordinary share plus dividends paid.

		acquisition. The total gross assets will be calculated based on the last published gross investment valuation of the portfolio plus acquisitions made since the date of such valuation at their cost of acquisition. The purpose of this limit is to ensure the portfolio has a number of investments and is not dominated by any single investment. In selecting new investments to acquire, the Investment Adviser will seek to ensure that the portfolio of investments has a range of public sector Clients and supply chain contractors, in order to avoid over-reliance on either a single Client or a single contractor.
B.35	Borrowing limits	Under the Articles, the Group's outstanding borrowings, including any financial guarantees to support outstanding investment obligations but excluding internal Group borrowings, or borrowing of the Group's underlying investments, are limited to 50 per cent. of the Adjusted Gross Asset Value of its investments and cash balances at any time. The Group may borrow in currencies other than GBP as part of its currency hedging strategy.
B.36	Regulatory status	The Company is a closed-ended investment company registered with the GFSC under the Authorised Closed-Ended Investment Schemes Rules 2008. The Company is not (and is not required to be) regulated or authorised by the FCA but in common with other investment companies admitted to the Official List, is subject to the Listing Rules and the Disclosure Guidance and Transparency Rules and is bound to comply with applicable law such as the relevant parts of FSMA.
B.37	Typical investor	Typical investors in the Company are UK based asset and wealth managers regulated or authorised by the FCA, other institutional or sophisticated investors and private individuals (some of whom may invest through brokers). An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in New Ordinary Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the amount invested) which might result from such investment.
B.38	Investment of 20 per cent. or more in single underlying asset or investment company	Not applicable.
B.39	Investment of 40 per cent. or more in single underlying asset or investment company	Not applicable.

B.40	Service providers	*Investment Adviser* The Company has appointed InfraRed Capital Partners Limited as its investment adviser under the Investment Advisory Agreement to (*inter alia*) advise the Company in relation to the strategic management of the Holding Entities and the investment portfolio, advising the Company in relation to any significant acquisitions or investments and monitoring the Group's funding requirements. Under the Investment Advisory Agreement, ICPL is entitled to a fixed advisory fee of £100,000 per annum, which accrues daily and is payable half-yearly, together with all reasonable out-of-pocket expenses. ICPL also receives fees from the Partnership with respect to its acting as both investment adviser to the Company and as operator of the Partnership pursuant to the Operator Letter. The Investment Adviser, in its capacity as Operator, and the General Partner are together entitled to annual fees calculated on the following basis and in the following order: (i) 1.1 per cent. of the proportion of the Adjusted Gross Asset Value of the Group's investments which have a value of up to (and including) £750 million in aggregate; (ii) 1.0 per cent. of the proportion of the Adjusted Gross Asset Value of the Group's investments that is not accounted for under (i) which, together with the investments under (i) above, have an Adjusted Gross Asset Value of up to (and including) £1.5 billion in aggregate; (iii) 0.9 per cent. of the proportion of the Adjusted Gross Asset Value of the Group's investments not accounted for under (i) or (ii) above which, together with investments under (i) and (ii) above have an Adjusted Gross Asset Value of up to (and including) £2.25 billion; and (iv) 0.8 per cent. of the proportion of the Adjusted Gross Asset Value of the Group that is not accounted for under (i), (ii) and (iii) above. These fees are calculated and payable six monthly in arrears, and are based on the Adjusted Gross Asset Value of the Group's assets at the beginning of the period concerned, adjusted on a time basis for acquisitions and disposals during the period. The General Partner as part of its profit share is also entitled to receive an amount equal to 1.0 per cent. of the value of new portfolio investments made by the Group that are not sourced from entities, funds or holdings managed by ICPL or an affiliate of ICPL. This amount is payable on completion of the acquisition of the relevant investment and is calculated on the sum of: (i) consideration paid (excluding costs); and (ii) the amount of the outstanding investment obligations assumed in relation to the investment. *Administrator* The Administrator, Aztec Financial Services (Guernsey) Limited, has been appointed to provide administrative, secretarial and cash management services to the Company under the Administration Agreement. Such services include keeping the accounts of the Company, providing all information and assistance required by the Investment Adviser in relation to the Investment Adviser's preparation of the NAV of the Ordinary Shares, arranging for and administering the issue of shares in the Company and providing all administrative services required by the Company. The Administrator is paid an annual fee, paid monthly in arrears, of £150,000, or as otherwise agreed in writing between the Company and the Administrator from time to time. The Administrator is also entitled to receive all expenses properly incurred by it.

		Registrar and Transfer Agent Capita Registrars (Guernsey) Limited is the Registrar and Capita Registrars is the Company's UK transfer agent. The Registrar is entitled to a minimum annual registration fee of £5,500. Given that any additional fees payable under the Registrar Agreement are calculated as a multiple of the number of Shareholders admitted to the register each year plus a multiple of the number of share transfers made or Shareholder voting events occurring each year, there is no maximum amount payable under the Registrar Agreement. Where the Registrar is required to carry out services beyond the scope set out in the Registrar Agreement, additional management time is charged separately on a time-cost basis. *Receiving Agent* The Company has appointed Capita Registrars as its Receiving Agent under the Receiving Agent Agreement. The Receiving Agent is entitled to customary fees, including (but not limited to) a minimum professional advisory fee of £2,750 and a minimum aggregate processing fee of £5,500 (each in connection with the Open offer) and a separate minimum professional advisory service fee of £2,750 in connection with the Offer for Subscription, as well as reasonable out-of-pocket expenses. *Auditors* The Auditors, KPMG Channel Islands Limited, provide audit services to the Company. The fees charged by the Auditors depend on the services provided. As such there is no maximum amount payable to the Auditors. *Safekeeping* The Company has engaged the Custodian, IAG Private Equity Limited, an independent provider of fund administration services globally, to provide safekeeping services to the Group in relation to share and loan note certificates related to the Group's investments. The Custodian is entitled to an annual fee of £2,000 as well as a transaction fee of £75 per document. The Custodian is also entitled to have repaid all reasonable out-of-pocket expenses.
B.41	Regulatory status of investment manager	The Investment Adviser was incorporated in England and Wales on 2 May 1997 (registered number 3364976) and is authorised and regulated in the United Kingdom by the FCA.
B.42	Calculation of Net Asset Value	All investments owned by the Group are valued on a six-monthly basis as at 31 March and 30 September each year. The valuations are reported to Shareholders in the Company's annual report and interim financial statements.
B.43	Cross liability	Not applicable. The Company is not an umbrella collective investment undertaking and as such there is no cross liability between classes or investment in another collective investment undertaking.
B.44	No financial statements have been made up	Not applicable. Historical financial information is included within this Prospectus.
B.45	Portfolio	The Current Portfolio consists of Infrastructure Equity in 114 Portfolio Companies in the accommodation, education, health, transport, utilities, fire and law and order sectors. 97 investments are in Portfolio Companies located in the UK, four are located in Ireland, four are located in the Netherlands, four are located in France, one is located in

		Australia, three are located in Canada, and one is located in the USA. Five Project Companies in the Current Portfolio have not completed the main construction phases of their concessions.
B.46	Net Asset Value	The unaudited NAV per Ordinary Share as at 31 December 2016 was 147.4 pence.
Section C – Securities		
C.1	Type and class of securities being offered	Under the Issue, the Company may issue up to 163,522,013 New Ordinary Shares of 0.01p each in the capital of the Company at an issue price of 159 pence per New Ordinary Share. The ISIN of the New Ordinary Shares is GB00B0T4LH64 and the SEDOL is B0T4LH6.
C.2	Currency of the securities issued	The New Ordinary Shares are denominated in GBP.
C.3	Number of shares issued	As at the date of this Prospectus, the Company has 1,458,943,663 fully paid Ordinary Shares in issue. The Company has no partly paid Ordinary Shares in issue.
C.4	Description of the rights attaching to the securities	The New Ordinary Shares will, when issued and fully paid, rank equally in all respects with the Existing Ordinary Shares currently in issue, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue. For the avoidance of doubt, investors in the New Ordinary Shares will not be entitled to receive the third interim dividend for the financial year ending 31 March 2017 of 1.91 pence per Ordinary Share which was announced on 22 February 2017. Holders of New Ordinary Shares are entitled to attend and vote at all general meetings of the Company and, on a poll, to one vote for each Ordinary Share held.
C.5	Restrictions on the free transferability of the securities	Ordinary Shares are freely transferable, subject to the restrictions contained in the Articles, which are summarised below: • The Board may, in its absolute discretion and without giving a reason, decline to register any transfer of any share in certificated form or (to the extent permitted by the Regulations and the Rules) uncertificated form which is not fully paid or on which the Company has a lien, or in a limited number of circumstances that would otherwise require the Company and/or the Investment Adviser to be subject to or operate in accordance with certain US Laws or regulations (including ERISA or the Investment Company Act), provided that this would not prevent dealings in the share from taking place on an open and proper basis. • The registration of transfers may be suspended at such times and for such periods (not exceeding 30 days in the aggregate in any one calendar year) as the Directors may decide except that, in respect of any shares which are participating shares held in an Uncertificated System, the register of members shall not be closed without the consent of the relevant Authorised Operator.
C.6	Admission	Applications will be made to the UKLA for the New Ordinary Shares to be admitted to the Official List with a premium listing and to the London Stock Exchange for trading on the Main Market.

		It is expected that Admission will become effective and that dealings for normal settlement in the New Ordinary Shares will commence at 8.00 a.m. on 24 March 2017.
C.7	Dividend policy	The Company's principal financial return objective is to offer a long-term, sustainable income for Shareholders. This is delivered through the Company's dividend target – an annual distribution of at least that paid during the prior financial year – with the prospect of increasing the figure provided it is sustainable with regard to the portfolio's forecast operational performance and the prevailing macro-economic outlook. At the time of the Company's launch, the distribution policy sought to grow the Company's annual distributions to 7 pence per Ordinary Share by March 2013. This target was met, and, since 2013, the Company has further increased its annual dividend such that 7.45 pence per Ordinary Share was paid in the financial year ended 31 March 2016. The Directors have set a target dividend for the current financial year (ending 31 March 2017) of 7.65 pence per Ordinary Share and the Company remains on track to deliver this. In addition, the Directors have set a target dividend for the financial year ending 31 March 2018 of 7.85 pence per Ordinary Share, and a target dividend for the financial year ending 31 March 2019 of 8.05 pence per Ordinary Share. Distributions on the Ordinary Shares are currently paid four times a year in respect of the three month periods to 30 June, 30 September, 31 December and 31 March and have been made by way of dividend and, subject to market conditions, this is expected to continue. The Company may also make distributions by way of capital distributions (or otherwise in accordance with the Law and the Articles) as well as, or in lieu of, by way of dividend if and to the extent that the Directors consider this appropriate. The Directors intend that the Company will generally restrict distributions (by way of dividend or otherwise) to the level of Distributable Cash Flows. The Directors may, where they consider this to be appropriate in respect of acquisitions where such assets are not fully cash generative, distribute as dividend an amount up to the level of the Group's gross income, i.e. in excess of Distributable Cash Flows. Project Companies which are operational usually make distributions to the Group twice a year, and occasionally these payments may be received shortly after a period end due to timing of payment process. The Directors intend to include such amounts in Distributable Cash Flows where it is clear these payments relate to the period concerned.
Section D – Risks		
D.1, D.2	Key information on the key risks that are specific to the issuer or its industry	• The Company is exposed to potential changes in policy and legal requirements. All of the Group's investments have a public sector infrastructure service aspect. Some are subject to formal regulatory regimes. All are exposed to political scrutiny and the potential for adverse public sector or political criticism. The Company is therefore potentially highly exposed to changes in policy, law or regulations including adverse or punitive changes of law. • Most of the Group's investments are dependent on the performance of a series of counterparties to contracts. Failure by one or more of these counterparties to perform their obligations fully or as anticipated could adversely affect the performance of affected investments. Replacement counterparties where they can be obtained may only be obtained at a greater cost. These risks would negatively impact the Group's cash flows and valuation.

		• Returns from the Group's investments will be affected by the price at which they are acquired. The value of these investments will vary and due diligence exercises may not reveal all relevant facts. There can be no certainty that the future cashflows projected to be received at any time will actually be received either at all or in the amounts or on the dates projected. Any Net Asset Value published may not have been independently appraised and should not be assumed to represent the value at which the Group's portfolio could be sold in the market at any time or that the assets of the Company and/or Group are saleable readily or otherwise. • There is no guarantee that current members of the Infrastructure Investment Team will continue to be associated with the Investment Adviser. There is also no certainty that key personnel involved with individual projects or contractors will continue in their roles. Furthermore, the Infrastructure Investment Team has responsibility for managing all infrastructure assets managed by the Investment Adviser. If key personnel were to depart, the Group may not be able to realise its targets or objectives. • During the life of a PPP or demand-based concession, components of the project facilities or building may need, *inter alia*, to be replaced or undergo a major refurbishment. Shorter than anticipated asset lifespans or costs or inflation higher than forecast may result in lifecycle costs being more than anticipated or occurring earlier than projected. • Four of the Group's investments are in Project Companies which have ''demand-based'' concessions. There is a risk with such projects that demand and revenues fall below the current projections and this may result in a reduction in expected revenues. Other Project Companies may depend to a lesser degree on additional revenue from ancillary activities. The amount of additional revenue received from any such activities may be variable and less than projected. • Inflation may be higher or lower than expected. Investment cash flows are correlated to inflation, and therefore portfolio-wide increases/decreases to inflation at variance to the Company's inflation expectations would impact on Company cash flows. Negative inflation (deflation) will reduce the Company's cash flows in absolute terms. • Change in tax legislation in one or more of the jurisdictions in which the Company has investments could reduce returns impacting on the Company's cash flow and valuation. Most recently the Company has benefitted from reductions in the rate of UK corporation tax, positively impacting its UK-based investments; however, there is a risk that this could be reversed if there were a change in government or policy. Such changes may occur in any or all jurisdictions in which the Company operates. • Changes in market rates of interest can affect the Company and the Group's investments in a variety of different ways including: (i) the discount rate used to value the Company's future projected cash flows and valuation; (ii) debt finance; and (iii) interest receivable on cash balances. If the Company receives less interest than it projects this will impact cash flows and NAV adversely. • The Company indirectly holds part of its investments in entities in jurisdictions with currencies other than Sterling but borrows corporate level debt, reports its NAV and pays dividends in

		Sterling. Changes in the rates of foreign currency exchange may impact on Company cash flows and valuation.
D.3	Key information on the risks specific to the securities	• The value of an investment in the Company is subject to normal market fluctuations and there is no assurance that any appreciation in the value of the Ordinary Shares will occur or that the investment objectives of the Company will be achieved. Investors may not get back the full value of their investment. • Although the Ordinary Shares are admitted to trading on the Main Market and will be freely transferable, the ability of Shareholders to sell their Ordinary Shares in the market, and the price which they may receive, will depend on market sentiment. • If Existing Shareholders do not subscribe under the Issue for such number of New Ordinary Shares as is equal to his or her proportionate ownership of Existing Ordinary Shares, his or her proportionate ownership and voting interests in the Company will be reduced and the percentage that his or her Ordinary Shares will represent of the total share capital of the Company will be reduced accordingly.
Section E – Offer		
E.1	Net proceeds and costs of the Issue of the issue of Tap Shares	**The Issue** If the Issue meets its target size of £205 million, it is expected that the Company will receive approximately £202.35 million from the Issue, net of fees and expenses associated with the Issue, which are anticipated to amount to approximately £2.65 million. If the Issue is increased to its maximum size of £260 million and is fully subscribed, it is expected that the Company will receive approximately £256.71 million from the Issue, net of fees and expenses associated with the Issue, which are anticipated to amount to approximately £3.29 million. The costs of the Issue will not be charged directly to Shareholders but have been taken into account in calculating the Issue Price. **Issue of the Tap Shares** The total net proceeds of the issue of the Tap Shares were £112.5 million, net of the fees and expenses associated with the issue, which amounted to approximately £0.9 million.
E.2a	Reason for offer and use of proceeds	**The Issue** The Company intends to use the net proceeds of the Issue in the following order of priority (in each case, where sufficient and assuming completion is reached): (i) to repay outstanding borrowings under the Facility; (ii) to make the Committed Investment; and (iii) to make any Additional Investments. If the net proceeds are not sufficient to fund the Committed Investment, the Group will make up any shortfall by borrowing under the Facility. If the net proceeds are not sufficient to fund any of the Additional Investments, the Group will fund the Additional Investments in full or in part by borrowing under the Facility where the Group Debt outstanding after such acquisition or acquisitions would be at a level that the Board considers prudent having regard to the terms of the Facility.

		Issue of the Tap Shares The Tap Shares were issued in order to address the Company's September 2016 net funding requirements.
E.3	Terms and conditions of the offer	The Company has a target of 128,930,818 New Ordinary Shares for issue under the Issue at a price of 159 pence each. However, the Directors have reserved the right, in consultation with Canaccord Genuity, to increase the size of the Issue up to 163,522,013 New Ordinary Shares to the extent that Additional Investments arise and overall demand for New Ordinary Shares exceeds the target amount. To the extent that they are not subscribed for under the Open Offer and the Exercise Application Facility, such New Ordinary Shares may be issued under the Placing, Offer for Subscription and/or the Intermediaries Offer. In the event that subscriptions exceed the maximum number of New Ordinary Shares available under the Issue the Directors will scale back subscriptions under the Placing, the Offer for Subscription and the Intermediaries Offer at their discretion, in consultation with Canaccord Genuity and the Investment Adviser. **Conditions** The Issue, which is not underwritten, is conditional upon: • Admission occurring on or before 8.00 a.m. on 24 March 2017 or such later time and/or date as the Company and Canaccord Genuity may agree, being not later than close of business on 31 May 2017; • the Placing and Offer Agreement having become unconditional in all respects and not having been terminated in accordance with its terms before Admission; • the approval of the Issue and the disapplication of pre-emption rights in connection with the Issue by Existing Shareholders at the Extraordinary General Meeting of the Company to be held on 20 March 2017 (or at any adjournment thereof); and • not less than an aggregate of 50 million (or such lesser amount as the Directors and Canaccord Genuity, in consultation with the Investment Adviser, may agree) of New Ordinary Shares being subscribed for pursuant to the Issue. If these conditions are not met, unless they are waived, the Issue will not proceed. Subject to those matters upon which the Issue is conditional, the Directors, with the consent of Canaccord Genuity, may bring forward or postpone the closing date for the Issue by up to two weeks. The Issue may not be revoked after unconditional dealings in the New Ordinary Shares have commenced. **The Open Offer** *Open Offer Entitlement* Under the Open Offer and subject to its terms, Existing Shareholders are entitled to subscribe for up to an aggregate of 66,315,621 New Ordinary Shares *pro rata* to their holdings of Existing Ordinary Shares on the following basis: ***1 New Ordinary Share for every 22 Ordinary Shares held at the Record Date*** The balance of New Ordinary Shares to be made available under the Issue, together with any New Ordinary Shares not taken up pursuant to the Open Offer, will be made available for subscription under the Excess Application Facility, the Offer for Subscription, the Placing and the Intermediaries Offer.

		Excess Application Facility under the Open Offer Subject to availability, Existing Shareholders who take up all of their Open Offer Entitlements may also apply under the Excess Application Facility for additional New Ordinary Shares in excess of their Open Offer Entitlement. The Excess Application Facility will comprise whole numbers of New Ordinary Shares under the Open Offer which are not taken up by Existing Shareholders pursuant to their Open Offer Entitlements, and any New Ordinary Shares that the Directors determine, in their absolute discretion (in consultation with Canaccord Genuity and the Investment Adviser), should be reallocated from the Placing and/or the Offer for Subscription and/or the Intermediaries Offer to satisfy demand from Existing Shareholders in preference to prospective new investors under the Placing, the Offer for Subscription or the Intermediaries Offer. **The Offer for Subscription** New Ordinary Shares are available under the Offer for Subscription, at the discretion of the Directors (in consultation with Canaccord Genuity). The Offer for Subscription is only being made in the UK but, subject to applicable law, the Company may allot New Ordinary Shares on a private placement basis to applicants in other jurisdictions. New applications for New Ordinary Shares under the Offer for Subscription should be made by completing the Application Form attached to this Prospectus. The number of New Ordinary Shares being subscribed for under the Offer for Subscription must be a minimum aggregate subscription price of £1,000 and thereafter in multiples of £500. **The Placing** The Company, the Investment Adviser and Canaccord Genuity have entered into the Placing and Offer Agreement, under which Canaccord Genuity has agreed, subject to certain conditions, to use reasonable endeavours to procure placees for New Ordinary Shares at the Issue Price under the Placing. **Intermediaries Offer** In addition, the Intermediaries have been invited to apply for New Ordinary Shares on behalf of eligible clients.
E.4	Material interests	Not applicable. There is no interest that is material to the Issue.
E.5	Name of person selling securities/ lock up agreements	Not applicable. No person or entity is offering to sell the New Ordinary Shares (other than the Company).
E.6	Dilution	If an Existing Shareholder does not subscribe under the Issue for such number of New Ordinary Shares as is equal to his or her proportionate ownership of Existing Ordinary Shares, his or her proportionate ownership and voting interest in the Company will be reduced and the percentage that his or her Existing Ordinary Shares will represent of the total share capital of the Company will be reduced accordingly following completion of the Issue. If the Issue meets its target size of £205 million, the share capital of the Company in issue at the date of this Prospectus will, following the Issue, be increased by a factor of 1.088 (8.837 per cent.) as a result of the Issue. On this basis, if an Existing Shareholder does not subscribe for any New Ordinary Shares, his or her proportionate economic interest in the Company will be diluted by 8.12 per cent. If the Issue is increased to its maximum size of £260 million and is fully subscribed, the share capital of the Company in issue at the date of this Prospectus will, following the

		Issue, be increased by a factor of 1.112 (11.208 per cent.) as a result of the Issue. On this basis, if an Existing Shareholder does not subscribe for any New Ordinary Shares, his or her proportionate economic interest in the Company will be diluted by 10.08 per cent.
E.7	Expenses charged to the investor	Not applicable. There are no expenses charged directly to the investor by the Company under the Placing, Open Offer and Offer for Subscription. Any expenses incurred by any Intermediary are for its own account. Prospective investors should confirm separately with any Intermediary whether there are any commissions, fees or expenses that will be applied by such Intermediary in connection with any application made through that Intermediary pursuant to the Intermediaries Offer. The Intermediaries Terms and Conditions restrict the level of commission that Intermediaries are able to charge any of their respective clients acquiring New Ordinary Shares pursuant to the Intermediaries Offer.

RISK FACTORS

Investment in the Company carries a degree of risk, including but not limited to the risks in relation to the Group, the Company, the New Ordinary Shares and the Tap Shares referred to below. The risks referred to below are the risks which are considered to be material, but are not the only risks relating to the Group, the Company, the New Ordinary Shares and the Tap Shares. There may be additional material other risks that the Company and the Directors do not currently consider to be material or of which the Company and the Directors are not currently aware. Prospective investors should review this Prospectus carefully and in its entirety and should consult with their professional advisers before acquiring any New Ordinary Shares. If any of the risks referred to in this Prospectus or any other risks were to occur, the financial position and prospects of the Group and/or the Company could be materially adversely affected. If that were to occur, the trading price of the New Ordinary Shares and/or the Tap Shares and/or their Net Asset Value and/or the level of dividends or distributions (if any) received from the New Ordinary Shares and/or the Tap Shares could decline significantly and investors could lose all or part of their investment.

Prospective investors should note that the risks relating to the Company, its industry, the Group and the New Ordinary Shares summarised in the section of this Prospectus headed ''Summary'' are the risks that the Board believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the New Ordinary Shares. However, as the risks which the Company and the Group face relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Prospectus headed ''Summary'' but also, among other things, the risks and uncertainties described below.

An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Group, for whom an investment in New Ordinary Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the amount invested) which might result from such investment.

If prospective investors are in any doubt as to the consequences of their acquiring, holding or disposing of Ordinary Shares, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

Risks associated with the nature of the Current Portfolio and the Additional Investments

Specific risk factors apply to the Current Portfolio (details of which are contained in Part IV), individual or groups of projects in the Current Portfolio, and to the Additional Investments that the Group intends to make as detailed in this Prospectus. Where risk factors apply specifically at Portfolio Company level, if the risks were to occur the value of the relevant investment or the returns the investments generate could be adversely affected, in turn affecting the Group's Net Asset Value, returns to Shareholders, and/or the value of the Ordinary Shares. However, it should be noted that (save as disclosed in this Risk Factors section) it is not expected that there will be any recourse to the Company in respect of the liabilities of individual Portfolio Companies.

Counterparty Risk

In relation to PPPs and demand-based concessions, the performance of the Group's investments is dependent on the complex set of contractual arrangements specific to each investment continuing to operate as intended. The Group is exposed to the risk that such contracts do not operate as intended, are incomplete, contain unanticipated liabilities, are subject to interpretation contrary to the Group's expectation or otherwise fail to provide the protection or recourse anticipated by the Group.

In particular, investments are dependent on the performance of a series of counterparties to contracts including public sector bodies, construction contractors, facilities management and maintenance contractors, asset and investment managers (including the Investment Adviser), banks and lending institutions and others. Failure by one or more of these counterparties to perform their

obligations fully or as anticipated could adversely affect the performance of affected investments. Replacement counterparties where they can be obtained may only be obtained at a greater cost and with reduced risk transfer. These risks would negatively impact the Group's cash flows and valuation.

Specific counterparty risks include:

- The institutions, including banks, with which the Group and Project Companies will do business, or to which securities have been entrusted, may encounter financial difficulties that impair the Group and/or the Project Company's operational capabilities or capital position. In particular, the terms of the borrowings within each Project Company typically provide for the Project Company to maintain cash deposits in escrow during the life of the concession for the benefit of the lenders in respect of reserves for future payments of interest and principal on the borrowing, as well as in respect of contracted future capital expenditure. These deposits are monitored by the Investment Adviser which, to the extent possible within the constraints of its power resulting from the Group's stake in a particular Project Company, directs the management of a Project Company to optimise the returns available from the deposit while taking into consideration a diversification of deposit counterparty credit risk among a portfolio of banks, all of which are of investment grade quality at the time the deposit is placed.
- If a contractor to a Project Company fails to perform the services which it has agreed to provide, the Project Company may fail to meet obligations which it has to others (including Clients) and there may be a consequent reduction in the revenues that the Project Company is entitled to receive, and/or claims for damages against the Project Company. If the relevant contractor or its guarantors (if any) or insurers fail to meet their obligations in respect of the liabilities that have been passed on to them then, to the extent the liability cannot be set off against service fees, the Project Company will not be compensated for any reductions in payments and/or claims made against it (whether by the Client or a third party) which it suffers as a result of the subcontractor's service failure. Ultimately such service failure could lead to termination of a Project Agreement. There may also be a loss of revenue during the time taken to find a replacement contractor, or the replacement contractor may levy a surcharge on top of costs associated with the tender process.
- If there is a contractor service failure which is sufficiently serious to cause the Project Company to terminate the contract, or the Client to require the Project Company to do so, there may be a loss of revenue during the time taken to find a replacement contractor and the replacement contractor may levy a surcharge to assume the contract or charge more to provide the services: this may render the project uneconomic, resulting in termination for default. There will also be costs associated with the re-tender process which may not be covered by any recovery from the defaulting contractor. Loss of revenue, additional costs and/or termination for default following a contractor service failure at a Project Company will reduce the Group's returns from such Project Company and ultimately returns to Shareholders.
- In some instances in respect of the Current Portfolio, a single contractor is responsible for providing services to various Project Companies in which the Group invests. In these instances, the default or insolvency of such single contractor alone could adversely affect a number of the Group's investments and thereby have a greater effect on returns to Shareholders. The Group will aim to avoid an excessive reliance on any single contractor, and will have regard to this concern when making investments.

Market Value of Investments

Returns from the Group's investments will be affected by the price at which they are acquired. The value of these investments will be (amongst other risk factors) a function of the discounted value of their projected future cashflows, and as such will vary with, *inter alia* movements in interest rates, government bond rates in the countries where the investments are based, and the competition for such assets. In addition, while the Company or the Investment Adviser undertakes a review or due diligence exercise in connection with the purchase of investments, this may not reveal all relevant facts. There can be no certainty that the future cashflows projected to be received at any time will actually be received either at all or in the amounts or on the dates projected. Variances are certain to happen from time to time and any variances to these projections will affect the value of the Group's investments and the income (if any) generated from them.

Where the Company publishes its Net Asset Value such value will be the Company's estimation of the Company's Net Asset Value from time to time based on its current projections for future cashflow discounted to a present value using such discount factors as may seem appropriate to the Company from time to time. The discount factors used are themselves certain to change from time to time, being influenced by (for instance) interest rates and the perception of risk in the assets being valued. Investors should note that any Net Asset Value published may not have been independently appraised and should not be assumed to represent the value at which the Group's portfolio could be sold in the market at any time or that the assets of the Company and/or the Group are saleable readily or otherwise.

Lifecycle costs

During the life of a PPP or demand-based concession, components of the project facilities or buildings (such as lifts, roofs, air handling plant, pavements and other structures) may need, *inter alia*, to be replaced or undergo a major refurbishment. The timing and costs of such replacements or refurbishments is typically forecast based upon manufacturers' data and warranties, and specialist advisers are usually retained from time to time by the Project Company to assist in such forecasting. However, shorter than anticipated asset lifespans or costs or inflation higher than forecast may result in lifecycle costs being more than anticipated or occurring earlier than projected. Any increased cost implication not otherwise passed down to subcontractors will generally be borne by the relevant Project Company, and therefore ultimately the Group, which could have a material adverse effect on the Group's financial position, results of operations, business prospects and returns to investors.

Demand risk

Four of the Group's investments are in Project Companies which have ''demand-based'' concessions. Returns from ''demand-based'' concessions are impacted in whole or part by revenues receivable from users and are thus exposed to levels of demand risk. There is a risk with such projects that demand and revenues fall below the current projections and this may result in a reduction in expected revenues for the relevant Project Company.

Other Project Companies (including those operating ''availability-based'' projects where the bulk of payments are based on making the facilities available for use and do not depend substantially on the demand for or use of the project) may depend to a lesser degree on additional revenue from ancillary activities, for example letting of school accommodation for out of hours use. The amount of additional revenue received from any such activities may be variable and less than projected. As such, where there is demand risk, the projected returns to the Group could be reduced.

Size of major holdings

The value of some of the investments in the Current Portfolio is significantly greater than others. For example, as at 31 December 2016, the largest ten investments represented approximately 40 per cent. of the Current Portfolio (based on unaudited valuations).

If any circumstances arose which materially affected the returns generated by any of those Portfolio Companies (or any other significant part of the Current Portfolio), the effect on the Group's ability to meet its investment objectives could be material.

Portfolio Company Employees

Some Portfolio Companies have their own employees. Where a Portfolio Company has its own employees it may be exposed to potential employer and/or pension liabilities under applicable legislation and regulations, which could have adverse consequences for the Portfolio Company, and could consequently have a material adverse effect on the Group's financial position, results of operations, business prospects and returns for investors.

Limits on vendors' liabilities

Where the Group acquires an asset, the acquisition agreement will typically include various warranties from the vendor(s) for the benefit of the Group in relation to the relevant asset. Such warranties however are generally limited in scope, subject to time limitations, materiality thresholds and a liability cap. To the extent that any loss suffered by the Group is not covered by warranties, arises outside of such limitations or exceeds such cap, such loss will be borne by the Group and will impact on returns to Shareholders.

Control

Past and future infrastructure investments will be in Portfolio Companies that the Group does not always control. While the Group is likely to acquire voting rights in proportion to the equity share capital it acquires, commercial negotiation of the contractual documentation, which may include concession, finance and shareholder agreements, may result in certain minority restrictions and protections that may impact on the ability of the Group and the Operator to have control over the underlying investments and/or expose the Group to the risk that other investors may individually or collectively act in a way that is contrary to the Group's interests. This may affect the value of, and/or the returns from, the Group's assets.

Monoline Insurers

Some of the Portfolio Companies in the Current Portfolio are, and some future investments may be, in Portfolio Companies that are financed by bonds which are insured by monoline insurers. Any downgrade in (or loss of) the rating of a monoline insurer may have a negative performance impact on such Portfolio Company, as well as potentially causing a margin increase on the related senior debt and/or default under the relevant finance documents (increasing costs and thereby potentially reducing returns in respect of that investment). Any downgrade would have a negative effect on the performance of the Company.

Bench marking/market-testing

Project Agreements for PPP or demand-based concessions usually contain benchmarking and/or market-testing regimes in respect of the cost of providing certain services, which operate periodically, typically every five years. The operation of these regimes may result in a change in the costs to the Project Company of providing such services. Consequently, these mechanisms may expose the Project Company to losses arising from changes in some of its costs relative to its revenues, which would have an adverse effect on returns generated from the Project Company.

Insurance

In relation to PPPs and demand-based concessions, a Project Company will usually be responsible under its Project Agreement for maintaining insurance cover for, among other things, buildings, other capital assets, contents and third party risks (for example, risks arising from damage to property).

If insurance premiums increase, the Group may not be able to maintain insurance cover comparable to that currently in effect or may only be able to do so at a significantly higher cost.

Certain risks may be uninsurable in the insurance market or subject to an excess or exclusions of general events (for example the effect of war) and it is not possible to guarantee that insurance policies will cover all possible losses. In such cases the risks of such events will rest with the Project Company. In the case of some projects, the Project Agreement may provide that the Client may, in certain circumstances, arrange to insure the relevant risks itself. If a risk subsequently occurs, the Client can typically choose whether to let the Project Agreement continue, and pay to the Project Company an amount equal to the insurance proceeds which would have been payable had the insurance been available (subject, in certain cases, to exclusions), or terminate the Project Agreement and pay compensation on the basis of termination for *force majeure* (see below under ''Termination of Project Agreements''), which may not fully compensate the Group to the level of the value of its investment.

In all these instances, the net asset value of the investment could be adversely affected, which could in turn have a material adverse effect on the Group's financial position, results of operations, business prospects and returns to investors.

Exceeded liability limits

In relation to PPPs and demand-based concessions, where Project Companies have entered into contracts, the contractors' liabilities to a Project Company for the risks they have assumed will typically be subject to financial caps and it is possible that these caps may be exceeded in certain circumstances. Any loss or expense in excess of such a cap would be borne by the Project Company unless covered by the Project Company's insurance. In certain circumstances, the shareholders in the Project Company may decide to contribute additional equity to fund such loss and expense, which could reduce the investment returns generated by the Project Company and have a material adverse effect on the Group's financial position, results of operations, business prospects and returns to investors.

Construction defects

In relation to PPPs and demand-based concessions, a Project Company will typically subcontract design and construction activities in respect of projects. The contractors responsible for the construction of a project asset will normally retain liability in respect of design and construction defects in the asset for a statutory period (which varies between projects and between countries) following the construction of the asset, subject to liability caps. In addition to this financial liability, the contractor will often have an obligation to return to site in order to carry out any remedial works for a pre-agreed period. The Project Company will take the risk that such liability cannot be adequately enforced and will not normally have recourse to any third party for any defects which arise after the expiry of these limitation periods. If liability for the defect cannot be enforced against the contractor or a third party, the Project Company will bear the costs arising from the defect, including third party claims and repair costs, which is likely to reduce the Group's returns from such Project Company and ultimately could have a material adverse effect on the Group's financial position, results of operations, business prospects and returns to investors.

Termination of Project Agreements

Typically contracts between the Client and the Company's Portfolio Companies contain rights for the public sector to voluntarily terminate contracts in certain situations. Whilst the contracts typically provide for compensation in such cases, this could be less than is required to sustain the Company's valuation causing loss of value to the Company and may vary depending on the reason for the termination. In serious cases where the terms of the underlying contract with the Client are breached due to default or *force majeure* then that contract can usually be terminated without compensation. Failure to receive the amount of revenue projected or termination of a contract will have a consequential impact on the Company's cash flow and value.

Under a typical Project Agreement, in some cases (e.g. termination for *force majeure*) the compensation payable may only cover the senior debt in the Project Company and may not include amounts to repay Infrastructure Equity; in other cases (e.g. termination for Project Company default), the compensation may only cover the nominal value of Infrastructure Equity in the Project Company; and, in yet other cases (e.g. Client default or termination by notice by the Client), the compensation would be expected to cover senior debt and the original return on the Infrastructure Equity, but not necessarily the prevailing value of the investment. Any compensation payable is typically paid subject to a "waterfall" whereby equity capital is repaid last. For these purposes, senior debt can be taken to include the costs (or gains) arising from breaking any interest rate hedging arrangements. Typically, senior lenders will have security over any compensation proceeds.

Should a termination occur, the net asset value of the investment concerned could be adversely affected and the ability of the Company to fund distributions to Shareholders may be restricted.

Physical asset risk

The Company indirectly invests in physical assets used by the public and thus is exposed to possible risks, both reputational and legal, in the event of damage or destruction to such assets and their users including loss of life, personal injury and property damage. While the assets the Company invests in benefit from insurance policies these may not be effective in all cases.

Asset availability

In relation to PPPs and demand-based concessions, a Project Company's entitlement to receive income from its Clients or users is generally dependent on the underlying physical assets remaining available for use and continuing to meet certain performance standards. Failure to achieve such standards or maintain assets available for use or operating in accordance with pre-determined performance standards may entitle the public sector to stop (wholly or partially) paying the income that the Project Company has projected to receive or, in the case of demand-based concessions, lead to a reduction in a Project Company's revenues. If this occurred, this would negatively impact the Company's cash flows and valuation.

Environmental or health and safety laws or regulations

Breaches of environmental or health and safety laws or regulations could expose Portfolio Companies to claims for financial compensation and adverse regulatory consequences and could damage their reputation.

Project Companies engaged in PPPs and demand-based concessions generally take an ownership or occupation interest in land for the purpose of carrying out construction or operating the project assets. To the extent there are environmental liabilities arising in the future in relation to any sites owned or used by a Project Company, including, but not limited to, clean-up and remediation liabilities, such Project Company may, subject to its contractual arrangements and the relevant laws, be required to contribute financially towards any such liabilities, and the level of such contribution may not be restricted by the value of the sites or by the value of the Group's total investment in the Project Company. This may adversely affect the Group's projected investment returns.

More generally, the operations of Portfolio Companies may involve dangerous or potentially dangerous activities and/or may use and/or generate in their operations hazardous and potentially hazardous machinery, facilities, products and by-products. Accordingly, such activities are subject to laws and regulations relating to pollution and the protection of the environment; and laws and regulations governing health and safety matters, protecting both the public and their employees. Any breach of these obligations, or even incidents relating to the environment or health and safety that do not amount to a breach, could adversely affect the results of operations of these Portfolio Companies and their reputations. This, in turn, could have an adverse effect on the Group's investments, its Net Asset Value, its financial condition and/or results of operations. In addition, the investment, the Company and the Investment Adviser could experience adverse publicity as a result of any such incident.

Environmental Risk

Some of the Group's investments are, and in the future may be, in industries that are subject to significant regulation. Were one of those investments, or another business in such an industry, to suffer a significant industrial or environmental incident, regulatory scrutiny of the relevant industry may increase significantly, which may adversely affect the operations of the underlying entities or businesses in which the Group invests.

The Group makes investments in Project Companies and Operating Companies that operate in industries which are, and may in the future be, subject to specific hazards and environmental risks, including in the form of leakage of polluting substances from sites or machinery operated by such companies or ingress of polluting substances or infections agents into such a site. Environmental laws, regulations and regulatory initiatives play a significant role in such industries and can have a substantial impact on investments in them. If an environmental or other serious industrial incident were to affect one of the Group's investments, or another business operating in the same industry, such incident could lead to increased regulatory scrutiny of the relevant industry, the introduction of more onerous regulation in respect of that industry or direct regulatory intervention in such industry (including a decision by a relevant regulator to suspend or shut down the operations of businesses, including companies in which the Group has invested, operating in the relevant sector). Such consequences may materially and adversely affect the operations of the affected companies and cause material losses which may not be covered by insurance.

Regulatory Risk

None of the Group's investments are in regulated assets which operate in highly regulated industries within statutory legal frameworks. The Group may, however, make investments in such regulated assets in the future. Unfavourable changes to such regulatory and legal frameworks could materially and adversely affect the performance of affected investments.

It is common for regulatory frameworks to be reviewed and/or reformed on a periodic basis. A change of government, change of public or government attitude towards the relevant sector, or a change of government policy more generally may result in changes to the regulatory and legal framework which applies to an Operating Company that owns and operates regulated assets. Such changes may include reductions in the allowed return on capital which private investors in a regulated industry are permitted to make or reductions in government controlled tariffs, subsidies or support schemes. Any such change to the regulatory legal framework could have a material adverse effect on the Group's projected investment returns.

Changes to Contractual Arrangements

In relation to PPPs and demand-based concessions, contracts between Project Companies and Clients typically include provisions allowing the Client to require changes to the project facilities and/or to the terms of project contracts. Usually these provide for the Project Company to be in no

better and no worse a position as a consequence of the change in comparison to its economic position when the project was established. It is nonetheless possible that changes required by Clients may have a negative effect on the Group if the actual economic position of the Project Company at the time of the change is better than it was projected to be at the time of the establishment of the project.

Client or payor default

In relation to PPPs, the concessions granted to Project Companies comprised in the Current Portfolio are from a variety of Clients, including but not limited to central government departments, local and state governments, statutory corporations and regulated entities. Although the creditworthiness and power of each such body to enter into Project Agreements has been considered, the possibility of a default remains. It is not certain that central governments will in all cases assume liability for the obligations of local and state governments, statutory corporations and regulated entities in the absence of a specific guarantee, or that central governments will themselves not default on their obligations. In case of a default, the relevant Project Company's revenues may be less than projected and in turn the returns the Group receives from that Project Company could be less than anticipated.

Covenants for senior debt

The covenants provided by a Portfolio Company in connection with its senior debt are normally extensive and detailed. If certain covenants are breached, payments on the Infrastructure Equity are liable to be suspended. Additionally, if an event of default occurs the senior lenders may become entitled to ''step in'' and take responsibility for, or appoint a third party to take responsibility for, the Project Company's rights and obligations under the Project Agreement, although the senior lenders will generally have no recourse against the Company in such circumstances (other than in respect of committed but unsubscribed risk capital).

In addition, in such circumstances the senior lenders will typically be entitled to enforce their security over the Infrastructure Equity in the Portfolio Company or over its assets and to sell the Portfolio Company or its assets to a third party. The consideration for any such sale is unlikely to result in any payment in respect of the Group's investment in the Portfolio Company.

Construction risk

As at the date of this Prospectus, five of the Project Companies comprising the Current Portfolio have not completed the construction phases of their concessions. Where delay is caused which is attributable to the construction contractor, as described above under ''Counterparty Risk'', the contractual arrangements made by a Project Company may not be as effective as intended and/or contractual liabilities on the part of the Project Company may result in unexpected costs or a reduction in expected revenues for the Project Company. Any adverse effect on the anticipated returns of the Project Company as a result of construction risks could have a material adverse effect on the Group's financial position, results of operations, business prospects and returns to investors.

Industrial relations risk

Industrial action involving a subcontractor to a Portfolio Company may result in unexpected costs or a reduction in expected revenues for the Portfolio Company and may therefore reduce the Group's returns from such Portfolio Company.

Force Majeure and Terrorism

With respect to the Group's investments in PPPs and demand-based concessions (and any further investments in similar assets), if a *force majeure* event continues or is likely to continue to affect the performance of the services by a Project Company for a long period of time (for example, six months or longer) it is likely that both the Project Company and the Client will have the right to terminate the Project Agreement. In such circumstances, compensation (if any) would be unlikely to cover the amounts paid for the acquisition of the investment capital by the Group.

More generally, there is also a risk that one or more of the Group's investments could be directly or indirectly affected by terrorist attack. Such an attack could leave a Portfolio Company unable to use one or more properties for their intended uses for an extended period, or lead to a decline in income or property (and therefore investment) value, and/or injury or loss of life, as well as litigation related thereto. Such risks may not be insurable or may be insurable only at rates that the Group deems uneconomic (on which see ''Insurance'' above). More widely, terror attacks and

ongoing military and related action in various parts of the world such as Syria, Iraq, Afghanistan, Iran, and elsewhere could have significant adverse effects on the world economy, securities, bond and infrastructure markets and the availability and cost of maintaining insurance. Increased costs for a Portfolio Company could reduce the returns received by the Group in respect of that Portfolio Company.

Bribery, corrupt gifts and fraud

Typically, the Client will have the right to terminate the Project Agreement where the Project Company or a shareholder or contractor (or one of their employees) has committed bribery, corruption or other fraudulent act in connection with the Project Agreement or, in some cases, in connection with another Project Company with the same Client. Even though the Group may have had no involvement, Investment Equity will frequently not be compensated in these circumstances. This would affect the Group's Net Asset Value and projected returns.

If a Project Company or a shareholder or contractor (or one of their employees) were to commit bribery as contemplated by the UK Bribery Act 2010, such Project Company, shareholder, contractor or employee could be subject to a potentially unlimited fine. This could have an adverse effect on the anticipated returns of the Project Company and thus on the Group's financial position, results of operations, business prospects and returns to investors.

Liquidity of Investments

The majority of investments made by the Group are likely to comprise unquoted interests in Portfolio Companies which are not publicly traded or freely marketable and a sale may require the consent of other interested parties. Such investments may therefore be difficult to value and realise. Such realisations may involve significant time and cost and/or result in realisations at levels below the Net Asset Value estimated by the Company.

Lack of Residual Value and Further Acquisitions

It is expected that Project Companies that have concession-based contracts will have no assets with any residual value to the Group after the concessions expire. Unless the Group acquires sufficient new investments in Project Companies with new concessions expiring at later dates, a significant part of the Group's portfolio could be made up of Project Companies whose concessions have expired and who therefore have no residual value and the Group's NAV would be significantly reduced.

While the Group intends to acquire further investments, there is no guarantee that any such acquisition will occur. As well as the effect on the Group's Net Asset Value described above, if the Group has fewer investments with value as concessions expire, there will be fewer opportunities to enhance income and capital growth through ongoing management. In addition, other risks may become more acute as the Group's portfolio is smaller and therefore less diversified.

Committed Investment and Additional Investments

A sale and purchase agreement to acquire the Committed Investment has been signed and is subject to certain conditions being achieved. The target size of the Issue has been calculated on the assumption that all conditions relating to the completion of the Committed Investment will be satisfied and that all required approvals will be received. There is a chance, however, that money will be raised pursuant to the Issue which reflects the cost of the Committed Investment, but completion of the Committed Investment never occurs because the relevant conditions are not met or the requisite approvals are not given. Similarly, Additional Investments may not ultimately be contracted to be made, and if contracted to be made, completion may be subject to certain conditions. Such Additional Investments may therefore not complete or completion may be significantly delayed. In these situations, the Company might hold uninvested cash, the return from which may serve to restrain growth of its Net Asset Value.

Cybercrime and Use of Technology

Cybercrime is the attempted or actual exploitation of vulnerabilities in internet and electronic systems for financial gain. Cybercrime could affect the Group's or a Portfolio Company's operations in a number of ways, including the theft of intellectual property or competition sensitive or price sensitive information, deliberate crashing or hacking of systems, fraudulent access to funds or counterparty data and reputational damage. Losses arising from these events could adversely affect returns to the Company and thereby to Shareholders.

Risks associated with valuation and group operations

Fund management and dependence on key personnel

The success of the Group depends on the skill and expertise of the Infrastructure Investment Team in identifying, selecting and developing appropriate investments. There is no guarantee that current members of the Infrastructure Investment Team will continue to be associated with the Investment Adviser. There is also no certainty that key personnel involved with individual projects or contractors will continue in their roles. Furthermore, the Infrastructure Investment Team has responsibility for managing all infrastructure assets managed by the Investment Adviser. These activities will require a commitment of time and resources that might otherwise be devoted to evaluating and monitoring the then current portfolio and evaluating potential future investments for the Group. If key personnel were to depart, the Group may not be able to realise its targets or objectives.

Accounting

Accounting changes may have either a positive or adverse effect on cash flows available for distribution to the Company and therefore the value of the investments. Accounting changes that have the effect of reducing distributable profits in investment entities and holding entities may impact the Company's cash flows and thus adversely affect its valuation.

Financial Forecasts

The Company's projections depend on the use of financial models to calculate future projected investment returns for the Company (including a number prepared by third parties). These are in turn dependent on the outputs from other financial model forecasts at the underlying investment entity level. There may be errors in any of these financial models including calculation errors, incorrect assumptions, programming, logic or formulaic errors and output errors. Once corrected such errors may lead to a revision in the Company's projections for its cash flows and thus impact on its valuation. The returns generated by any Portfolio Company may be less than expected or even nil.

Sensitivities

The Company publishes indicative information relating to its portfolio including projections of how portfolio performance and valuation might be impacted by changes in various factors e.g. interest rates, inflation, deposit rates etc. The sensitivity analysis and projections are not forecasts and actual performance is likely to differ (possibly significantly) from that projection as in practice the impact of changes to such factors will be unlikely to apply evenly across the portfolio or in isolation from other factors.

Conflicts of interest

The Investment Adviser/Operator, the Administrator, the Luxembourg Administrator, Canaccord Genuity (in its capacity as placing agent and/or sponsor), any other service provider to the Company, any of their directors, officers, employees, agents and connected persons and the Directors, and any person or company with whom they are affiliated or by whom they are employed, may be involved in other financial, investment or other professional activities which may cause conflicts of interest with members of the Group and their investments. In particular, these parties may, without limitation: provide services similar to those provided to the Group to other entities; buy, sell or deal with infrastructure assets on their own account (including dealings with the Group); and/or take on engagements for profit to provide services including but not limited to origination, development, financial advice, transaction execution, asset and special purpose vehicle management with respect to infrastructure assets and entities including Portfolio Companies that are or may be owned directly or indirectly by the Group. Such parties will not in any such circumstances be liable to account for any profit earned from any such services.

The Investment Adviser and its directors, officers, employees and agents and the Directors will at all times have due regard to their duties owed to members of the Group and where a conflict arises they will endeavour to ensure that it is resolved fairly.

Exculpation and indemnification

The structure through which the Group makes investments includes an English limited partnership. Certain provisions contained in the Limited Partnership Agreement limit the liability of the General Partner and the Operator. The Group is also responsible for indemnifying the General Partner and

the Operator (and their employees and agents) for any losses or damage incurred by them except for losses incurred as a result of their gross negligence or wilful misconduct.

Hedging risk

Should the Group elect to enter into hedging arrangements to protect against inflation risk, currency risk and interest rate risk (and it will be under no obligation to do so), the use of instruments to hedge a portfolio (whether at Portfolio Company level or above) carries certain risks, including the risk that losses on a hedge position will reduce the Group's earnings and funds available for distribution to investors and that such losses may exceed the amount invested in such hedging instruments. There is no perfect hedge for any investment, and a hedge may not perform its intended purpose of offsetting losses on an investment and, in certain circumstances, could increase such losses. The Group may also be exposed to the risk that the counterparties with which the Group trades may cease making markets and quoting prices in such instruments, which may render the Group unable to enter into an offsetting transaction with respect to an open position.

Although the Group will select the counterparties with which it enters into hedging arrangements with due skill and care, there will be a residual risk that the counterparty may default on its obligations.

Leverage

The Group has the ability to use Company-level leverage in the financing of its investments as well as leverage at the asset level. The use of leverage may increase the exposure of investments to adverse economic factors such as rising interest rates, severe economic downturns or deteriorations in the condition of an investment or its market.

In respect of any borrowings that the Group may incur, it is possible that the Group may from time to time not be able to refinance borrowing which becomes repayable during the life of the Group, in which case the performance of the Group may be adversely affected as the Group may be required to seek alternative sources of financing which may be unavailable or may not be on as favourable terms. If alternative sources of financing are unavailable then the Group would be required to dispose of assets in order to make such repayments and the Group may not be able to realise the same value as if it were not a forced seller and the performance of the Group may be adversely affected in such circumstances. These future borrowings of the Group may be secured on the assets of the Group and a failure to fulfil obligations under any related financing documents may permit lenders to demand early repayment of the loan and to realise their security. In such circumstances, lenders may be entitled to take ownership or dispose of the Group's assets to the extent of outstanding liabilities of the Group. This may adversely affect the Group's returns.

Failure to restructure

If the Group makes an investment with the intention of restructuring, refinancing or selling a portion of the capital structure thereof, there is a risk that the Group will be unable to complete successfully such a restructuring, refinancing or sale. Any such failure could lead to increased risk and cost to the Group and reduced returns.

Valuations

All investments owned by the Group will be valued on a six-monthly basis in accordance with the Group's valuations methodology and the resulting valuations will be used, amongst other things, for determining the basis on which any Ordinary Shares are repurchased by the Company and additional capital raised.

Valuations of the assets of the Group as a whole may also reflect accruals for expected or contingent liabilities, the amount or incidence of which is inevitably uncertain. It follows that some unfairness may arise between departing, continuing and new investors. A valuation is only an estimate of value and is not a precise measure of realisable value. Ultimate realisation of the market value of an asset depends to a great extent on economic and other conditions beyond the control of the Group, and valuations do not necessarily represent the price at which an investment can be sold.

All valuations made by the Company or advised by the Investment Adviser are made, in part, on valuation information provided by the Portfolio Companies in which the Group has invested. Although the Investment Adviser considers such information and data, it may not be in a position to confirm the completeness, genuineness or accuracy of such information or data. In addition, the

financial reports are typically provided by the Portfolio Companies on a quarterly or half yearly basis and generally are issued one to four months after their respective valuation dates. Consequently, each half yearly Net Asset Value contains information that may be out of date and require updating and completing. Shareholders should bear in mind that the actual Net Asset Values may be materially different from and in fact lower than these half yearly valuations and that the reported Net Asset Values of the Company are only required to be audited annually. They are not required to be represented by the Company to be the value that the Company's investments would actually achieve on any sale.

Recourse to the Company's assets

The Company's assets, including any investments made by the Company and any funds held by the Company, are available to satisfy all liabilities and other obligations of the Company. If the Company becomes subject to a liability (including under the Facility), parties seeking to have the liability satisfied may have recourse to the Company's assets generally and may not be limited to any particular asset, such as the asset giving rise to the liability. To the extent that the Company chooses to use special purpose entities for individual transactions to reduce recourse risk (and it may, but will be under no obligation to do so), the *bona fide*s of such entities may be subject to later challenge.

Risks relating to the New Ordinary Shares and the Issue

No guarantee of return

The market value of the Ordinary Shares can fluctuate, and they are designed to be held over the long-term and may not be suitable as short-term investments. There is no guarantee that any appreciation in the value of the Company's investments will occur and investors may not get back the full value of their investment.

Any investment objectives of the Company are targets only and should not be treated as assurances or guarantees of performance. The past performance of the Company and/or other investments managed and monitored by the Investment Adviser, the Infrastructure Investment Team or their respective associates is not a reliable indication of the future performance of the investments held by the Group. The success of the Group will depend on the skill and expertise of the Infrastructure Investment Team in identifying, selecting, developing and managing appropriate investments. There is no guarantee that suitable further investments will be available or that any investment will be successful. Competition for investment opportunities may result in increased purchase prices and/or reduced returns.

Prospective investors should be aware that the periodic distributions made to Shareholders will comprise amounts periodically received by the Group in repayment of, or being distributions on, its Infrastructure Equity in Portfolio Companies and other investment entities including distributions of operating receipts of investment entities. Investors should note that the majority of the investments in the Current Portfolio are in, and further investments are likely to be in, infrastructure assets that have no or only limited value to the Group once concession contracts with Clients (or other contractual counterparties) come to an end whether by expiry or earlier termination. As such, distributions to investors over the life of the Group's Investments, while likely to be characterised as income, should be treated partly as distributions of income and partly as returns of capital. Where they are returns of capital, the Group's NAV will decrease.

The Company's targeted returns for the Ordinary Shares are based on assumptions which the Directors consider reasonable. However, there is no assurance that all or any assumptions will be justified, and the Company's return may be correspondingly reduced. In particular, there is no assurance that the Company will achieve its distribution and/or IRR targets, which for the avoidance of doubt are targets only and not profit forecasts.

Value of Ordinary Shares

There is no guarantee that the market value of the New Ordinary Shares or the Tap Shares will reflect the underlying Net Asset Value of such New Ordinary Shares or the Tap Shares. The New Ordinary Shares or the Tap Shares may trade at a discount to Net Asset Value per Ordinary Share for a variety of reasons, including market or economic conditions or to the extent investors undervalue the activities of the Investment Adviser, in which event the Shareholders may not be able to realise their investment in the New Ordinary Shares or the Tap Shares at the Net Asset Value per Share. While the Directors intend to pursue a proactive policy in seeking to mitigate any

discount to Net Asset Value per Ordinary Share, there can be no guarantee that this strategy will be successful in effecting a reduction in any discount.

In the event of a winding-up of the Company, Shareholders will rank behind any creditors of the Company and, therefore, any positive return for Shareholders will depend on the Company's assets being sufficient to meet the prior entitlements of any creditors.

Dilution in ownership and voting interest in the Company

If an Existing Shareholder does not subscribe under the Issue for such number of New Ordinary Shares as is equal to his or her proportionate ownership of Existing Ordinary Shares, his or her proportionate ownership and voting interests in the Company will be reduced and the percentage that his or her Existing Ordinary Shares will represent of the total share capital of the Company will be reduced accordingly.

Neither the Placing, the Offer for Subscription nor the Intermediaries Offer is being made on a pre-emptive basis. As such, taking up a full entitlement of New Ordinary Shares under the Open Offer will not stop a Shareholder's interest from being diluted as a result of the Issue.

The Issue will not be registered under the Securities Act. Securities laws of certain other jurisdictions may restrict the Company's ability to allow participation by Shareholders in such jurisdictions in the Issue or any future issue of Shares carried out by the Company. Qualifying and prospective Shareholders who have a registered address in, or who are resident in or who are citizens of, countries 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 other formalities to acquire New Ordinary Shares under the Issue.

Liquidity

Although the New Ordinary Shares are to be admitted to trading on the Main Market and will be freely transferable, the ability of Shareholders to sell their New Ordinary Shares in the market, and the price which they may receive, will depend on market conditions. The New Ordinary Shares may trade at a discount to Net Asset Value and it may be difficult for a Shareholder to dispose of all or part of his holding of New Ordinary Shares at any particular time.

The Company has the ability, subject to certain Shareholder approvals, to make tender offers for Ordinary Shares from Shareholders and to make market purchases of Ordinary Shares from Shareholders. Any such tender offers or market purchases will however be made entirely at the discretion of the Directors. As such, Shareholders will not have any ability to require the Company to make any tender offers for, or market purchases of, all or any part of their Ordinary Shares. Shareholders cannot therefore require the Company to take particular action that might reduce the discount at which New Ordinary Shares are trading.

Distributions

The amount of distributions and future distribution growth will depend on the Group's underlying investments. Any change or incorrect assumption in the tax treatment of dividends or interest or other receipts received by the Company (including as a result of withholding taxes or exchange controls imposed by jurisdictions in which the Group invests) may reduce the level of distributions received by Shareholders. In addition any change in the accounting policies, practices or guidelines relevant to the Group and its investments may reduce or delay the distributions received by investors. The Company's ability to pay dividends will be subject to the provisions of the Law.

Market, Political and Regulatory Risks

Political and regulatory risk in respect of the infrastructure sector

The nature of the businesses in which the Company invests exposes the Company to potential changes in policy and legal requirements. All investments have a public sector infrastructure service aspect. Some are subject to formal regulatory regimes. All are exposed to political scrutiny and the potential for adverse public sector or political criticism. The Company is therefore potentially highly exposed to changes in policy, law or regulations including adverse or punitive changes of law.

Political policy and financing decisions may impact on the Company's ability to source new investments at attractive prices or at all.

The programmes that governments use to facilitate investment in infrastructure may vary from time to time and are not the only means of funding public infrastructure projects. In addition,

governments have reduced, and may continue to reduce, the overall level of funding allocated to major capital projects. These factors may reduce the number of investment opportunities available to the Company. See "Lack of Residual Value and Further Acquisitions" above for the potential consequences if the Group does not acquire any further investments. Changes of policy either at the government level or within individual Clients may also lead Clients to seek to vary or terminate existing projects either by change of law or by contract where contractual provisions allow this. Compensation may or may not be payable in such circumstances and if paid may not be sufficient to cover the amounts invested in, or paid for the acquisition of, the Infrastructure Equity by the Group.

As the Company is an investor in operational public infrastructure projects, changes in the policy for new projects may not impact the Company for a number of years. Changes in law may affect any explicit or implicit government support provided to projects. A change in government may lead to a change in infrastructure policy.

In relation to PPPs, governments may in future decide to change the basis upon which Project Company and government counterparties share any gains arising either on refinancing or on the sale of project equity, although in the UK there is a code of conduct for the sharing of such gains which is currently adhered to on a voluntary basis by private sector entities. In some cases, if such gains would have been particularly significant, the returns ultimately available to the Group from future project investments may be reduced. Project Companies would typically assume the risk of general non-discriminatory changes in law. While the cash flows and returns projected by the financial models of the projects within the Current Portfolio would not be affected by the refinancing gain risk described in this paragraph (as the financial models do not incorporate any upside for refinancing gain), such risk may affect the Group's ability to enhance the IRR on a long-term basis.

The economic viability of a Portfolio Company may depend implicitly or explicitly on regulatory conditions in a particular jurisdiction. Changes in these conditions may adversely affect the financial performance of the Portfolio Company, which in turn may affect the returns the Group receives from such investments. A Portfolio Company may incur increased costs or losses as a result of changes in law or regulation, for instance because a change of law affects explicit or implicit government support provided to the project. In relation to PPPs, where a Project Company holds a concession or lease from the Government, the concession or lease may (now or in the future) restrict the Project Company's ability to operate the business in a way that maximises cashflows and profitability. The lease or concession may also contain clauses more favourable to the Government counterparty than a typical commercial contract, reducing the opportunities for returns from the Project Company.

The vote by the United Kingdom to leave the European Union

The United Kingdom held a referendum on 23 June 2016 in which a majority of voters voted to exit the European Union, which is referred to as "Brexit". Negotiations are expected to commence in the coming months to determine the future terms of the United Kingdom's relationship with the European Union, including, among other things, the terms of trade between the United Kingdom and the European Union. The effects of Brexit will depend, amongst other things, on any agreements the United Kingdom makes to retain access to European Union markets either during a transitional period or more permanently.

Brexit could adversely affect UK, European and worldwide economic and market conditions and could contribute to instability in global financial and foreign exchange markets, including volatility in the value of Sterling and the Euro (both currencies in which projects within the Current Portfolio are denominated). The Group's competitiveness when bidding for overseas assets is affected by a weakened Sterling as such assets become relatively more expensive in Sterling terms. There is a risk that in acquiring overseas assets in a period of weakened Sterling the value of these assets could be reduced should Sterling strengthen again. The Group's Facility helps to mitigate this risk as it can be drawn and repaid in both Euro and Sterling (and such other currencies as may be agreed with the lender) if necessary. At the same time, there may be increased competition for UK assets within the Company's Investment Policy that come to market in the coming months, as such assets are likely to appear relatively less expensive for non-Sterling denominated investors. Such increased competition could reduce the Company's ability to continue to grow through acquisitions.

The Company's ability to raise new capital could be hindered by any heightened market volatility caused by Brexit in the shorter term. In the longer term, if any changes to the national private placement regimes on which the Company currently relies to raise capital from certain investors

based in the EEA (as described in the risk factor below entitled ''AIFM Directive'') arise as a result of Brexit or otherwise, this could restrict the Company's ability to market its Ordinary Shares in the EEA, which in turn may have a negative effect on marketing and liquidity of the Ordinary Shares generally.

Brexit could also adversely affect the operational, regulatory, insurance and tax regime to which the Group is currently subject.

In addition, Brexit could lead to legal uncertainty and potentially divergent national laws and regulations as the United Kingdom determines which European Union laws to replace or replicate. Although the Company is not constituted in accordance with English law, 97 of the 114 assets comprising its Current Portfolio are located in the United Kingdom, and the Group intends to continue to make investments in Europe. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice, whether as a result of a United Kingdom departure from the European Union or otherwise, after the date of this Prospectus.

Any of these effects of Brexit, and others that the Directors cannot anticipate at this stage given the political and economic uncertainty surrounding the nature of the United Kingdom's future relationship with the European Union, could adversely affect the Company's business, financial condition and cash flows. They could also negatively impact the value of the Company and make accurate valuations of the Company's Ordinary Shares and the investment interests comprising the Current Portfolio more difficult.

Potential Independence of Scotland

Notwithstanding the negative outcome of the referendum on the independence of Scotland held on 18 September 2014, there are calls for a further referendum with respect to the independence of Scotland. The possibility of a second referendum being held may be more likely following the Brexit referendum as a majority of votes cast in Scotland were in favour of the United Kingdom remaining in the European Union, in contrast to the decision of the United Kingdom as a whole. The Group could face potential uncertainty if any such referendum is called for in the future. The Current Portfolio contains projects located in Scotland and the Group may make investments in Scottish projects in future. The effect on such projects could be far reaching if the Scottish government were to be given individual autonomy, particularly as this could lead to new infrastructure policies or legislation. However, the Group is in any event always exposed to the possibility of change in policy by a government of a country in which the Group makes an investment.

In the absence of a vote in favour of independence in Scotland, there remains a risk that an enhanced devolution settlement may be agreed, in terms of which further elements of infrastructure could be devolved and could result in similar risks to those posed by independence.

Any move to Scottish independence or greater devolution could have an adverse effect on the Group's financial position, results of operations, business prospects and returns to investors.

Change in Regulation

Changes in law or regulation may increase costs of operating and maintaining facilities or impose other costs or obligations that indirectly adversely affect the Company's cash flow from its investments and/or valuation of them. The Company is subject to changes in regulatory policy that relate to its business and that of its Investment Adviser. The Company is supervised by the GFSC and is required to comply with the UK Listing Rules and the Disclosure Guidance and Transparency Rules applicable to issuers with premium listings. The Investment Adviser is regulated by the FCA in the UK in accordance with FSMA (and, although not directly relevant to the Company, the AIFM Directive). Increased regulation may increase costs, which to the extent they are borne by the Group, could negatively impact income and returns.

The AIFM Directive

The AIFM Directive has increased the Company's regulatory burden and is expected to continue to do so. The AIFM Directive seeks to regulate managers of private equity, hedge and other alternative investment funds. It imposes obligations on managers who manage AIFs in the EEA or who market shares in such funds to EEA investors.

The Company is categorised as an internally managed non-EEA AIF for the purposes of the AIFM Directive as the Directors retain responsibility for the majority of the Company's risk management and portfolio management. The Company is of the view that the services provided by ICPL do not

currently mean that the Investment Adviser or Operator is the AIFM of the Company or the Partnership. However, the AIFM Directive and national implementing legislation is untested and market practice in relation to the extent to which an internally managed AIF can delegate certain functions is still developing. In addition, the AIFM Directive requires the European Commission to review the delegation requirements in light of market developments and, depending on the outcome of that review, there is a risk that the Company will be required to register as an AIFM or appoint an external AIFM if it wishes to continue to market its shares in the EEA. If it is required to register as an AIFM or appoint an external AIFM it is likely that this will entail additional expenses for the Company (such as the costs of appointing a depositary) which may adversely affect returns for Shareholders.

The AIFM Directive currently allows the continued marketing of non-EEA AIFs, such as the Company, by the AIFM or its agent (as an internally managed AIF, this applies to the Company) under national private placement regimes where EEA States choose to retain private placement regimes. In relation to the Company, such marketing is subject to: (i) the requirement that appropriate cooperation agreements are in place between the supervisory authorities of the relevant EEA States in which the New Ordinary Shares are being marketed and the GFSC; (ii) the requirement that Guernsey is not on the Financial Action Task Force money-laundering blacklist, and (iii) compliance with certain aspects of the AIFM Directive. The Company intends to comply with the conditions specified in Article 42(1)(a) of the AIFM Directive in order that the Company may be marketed to professional investors in EEA States, subject to compliance with the other conditions specified in Article 42(1) of the AIFM Directive and the relevant provisions of the national laws of such EEA States.

In addition, however, individual EEA States have, or may in future introduce, additional requirements in order for the Company to rely on national private placement regimes, such as the requirement to appoint a depositary or other additional service providers. If the Company decides to comply with these requirements, it is likely to increase regulatory costs further. Currently the Board takes the view that the costs of compliance are not outweighed by the benefits of being able to market on a private placement basis in a number of EEA States, which prevents the Company's Shares from being marketed in those EEA States.

It is possible that a passport will be phased in to allow the marketing of non-EEA AIFs, such as the Company, and it is possible that private placement regimes (under which the Company currently markets its shares to certain investors based in the EEA) will subsequently be phased out. The timing of the introduction of such a passport and the phasing out of national private placement regimes is currently uncertain. However, ESMA published its most recent advice on the extension of the AIFM Directive marketing passport in July 2016, which concluded that (amongst other things) there are no significant obstacles impeding the application of the passport to Guernsey. Both the adoption of the passport and the phasing out of national private placement regimes are subject to certain criteria and may increase the regulatory burden on the Company. Consequently, there may be restrictions on the marketing of the Company's shares in the EEA, which in turn may have a negative effect on the marketing and liquidity of the Company's shares generally. Any regulatory changes arising from implementation of the AIFM Directive (or otherwise) that limit the Company's ability to market future issues of shares could have a material adverse effect on the Company's financial position, results of operations, business prospects and returns to investors.

NMPI Regulations

On 1 January 2014, the NMPI Regulations came into force in the UK. The NMPI Regulations extend the application of the UK regime restricting the promotion of unregulated collective investment schemes to other ''non-mainstream pooled investments'' or ''NMPIs''. As a result of the NMPI Regulations, FCA authorised independent financial advisers and other financial advisers are restricted from promoting NMPIs to retail investors who do not meet certain high net worth tests or who cannot be treated as sophisticated investors. Although previous consultations on the subject by the FCA had suggested the Company and entities like it would be excluded from the scope of the NMPI Regulations (and thereby capable of promotion to all retail investors), the final NMPI Regulations and guidance from the FCA means that in order for the Company to be outside of the scope of the NMPI Regulations, the Company will need to rely on the exemption available to non-UK resident companies that are equivalent to investment trusts. This exemption provides that a non-UK resident company that would qualify for approval by HMRC as an investment trust were it resident and listed in the UK will be excluded from the scope of the NMPI Regulations. The

principal relevant requirements to qualify as an investment trust are that: (a) the Company's business must consist of investing its funds in shares, land or other assets with the aim of spreading investment risk and giving members of the Company the benefit of the results of the management of its funds; (b) the Ordinary Shares must be admitted to trading on a regulated market; (c) the Company must not be a close company (as defined in Chapter 2 of Part 10 of the Corporation Tax Act 2010); and (d) the Company must not retain in respect of any accounting period an amount which is greater than 15 per cent. of its income.

The Company conducts, and intends to continue to conduct its affairs in such a manner that it would qualify for approval by HMRC as an investment trust if it was resident in the UK. As such, for such time as the Company satisfies the conditions to qualify as an investment trust, the Company is and will continue to be outside of the scope of the NMPI Regulations. If the Company is unable to meet those conditions in the future for any reason, consideration would be given to applying to the FCA for a waiver of the application of the NMPI Regulations in respect of the Company's shares.

If the Company ceases to conduct its affairs so as to satisfy the non-UK investment trust exemption to the NMPI Regulations and the FCA does not otherwise grant a waiver, the ability of the Company to raise further capital from retail investors may be affected and the liquidity of the Company's shares may be impacted. In this regard, it should be noted that, whilst the publication and distribution of a prospectus (including this Prospectus) is exempt from the NMPI Regulations, other communications by ''approved persons'' could be restricted (subject to any exemptions or waivers).

Change in Regulation

Changes in law or regulation may increase costs of operating and maintaining facilities or impose other costs or obligations that indirectly adversely affect the Company's cash flow from its investments and/or valuation of them. The Company is subject to changes in regulatory policy that relate to its business and that of its Investment Adviser. The Company is supervised by the GFSC and is required to comply with the UK Listing Rules and the Disclosure Guidance and Transparency Rules applicable to issuers with premium listings. The Investment Adviser is regulated by the FCA in the UK in accordance with FSMA (and, although not directly relevant to the Company, the AIFM Directive). Increased regulation may increase costs, which to the extent they are borne by the Group, could negatively impact income and returns.

Non-UK investments

The Group may invest in infrastructure assets in a wide range of jurisdictions and the laws and regulations of non-UK countries may impose restrictions that would not exist in the United Kingdom. Investments in non-UK entities have their own economic, political, social, cultural, business, regulatory, industrial and labour environment and may require significant government approvals under corporate, regulatory, securities, exchange control, foreign investment and other similar laws as well as requiring financing and structuring alternatives that differ significantly from those customarily used in the United Kingdom.

In addition, non-UK governments from time to time impose restrictions intended to prevent capital flight which may, for example, involve punitive taxation (including high withholding taxes) on certain securities, transfers or the imposition of exchange controls, making it difficult or impossible to exchange or repatriate foreign currency. These and other restrictions may make it impracticable for the Company to distribute the amounts realised from such investment at all, or may force the Company to distribute such amounts other than in GBP, with all or a portion of the distribution being made in foreign securities or currency. It also may be difficult to obtain and enforce a judgment in a court outside of the United Kingdom.

The Company, through due diligence investigations, will analyse information with respect to political and economic environments and the particular legal and regulatory risks in foreign countries before making investments, but no assurance can be provided that a given political or economic climate, or particular legal or regulatory risks, might not adversely affect an investment by the Group and consequently returns to investors.

Macroeconomic Risks

Inflation

Inflation may be higher or lower than expected. Investment cash flows are correlated to inflation, and therefore portfolio-wide increases/decreases to inflation at variance to the Company's inflation expectations would impact positively or negatively on Company cash flows. Negative inflation (deflation) will reduce the Company's cash flows in absolute terms.

The Company's portfolio has been developed in anticipation of continued inflation at the levels used in the Company's valuation assumptions. Where inflation is at levels below the assumed levels investment performance may be impaired. The level of inflation linkage across the investments held by the Company varies and is not consistent. Some investments have no inflation linkage and some have a geared exposure to inflation. The consequences of higher or lower levels of inflation than that assumed by the Company will not be uniform across its portfolio. The Company is also exposed to the risk of changes to the manner in which inflation is calculated by the relevant authorities.

The Company's ability to meet targets may therefore be adversely or positively affected by inflation and/or deflation. An investment in the Company cannot be expected to provide protection from the effects of inflation or deflation.

Currency risk

The Company indirectly holds part of its investments in entities in jurisdictions with currencies other than Sterling but borrows corporate level debt, reports its NAV and pays dividends in Sterling. Changes in the rates of foreign currency exchange are outside the control of the Company and may impact positively or negatively on Company cash flows and valuation.

If an investor's currency of reference is not Sterling, currency fluctuations between the investor's currency of reference and the base currency of the Company may adversely affect the value of an investment in the Company. Fluctuations in exchange rates between Sterling and the relevant local currencies and the costs of conversion and exchange control regulations will directly affect the value of the Group's investments and the ultimate rate of return realised by investors. Whilst the Group may enter into hedging arrangements to mitigate this risk to some extent, there can be no assurance that such arrangements will be entered into or that they will be sufficient to cover such risk.

The Company maintains its books, and intends to pay distributions, in GBP. Accordingly, fluctuations in exchange rates between GBP and the relevant local currencies, and the costs of conversion and exchange control regulations, will directly affect the value of the Group's investments and the ultimate rate of return realised by investors. As at the date of this Prospectus, the Company's exposure to currencies other than GBP is partially hedged by borrowing in the relevant currencies and selling the relevant currencies forward on a monthly basis. Whilst the Group may enter into hedging arrangements to mitigate currency risk to some extent, there can be no assurance that such arrangements will be entered into or that they will be sufficient to cover such risk.

Interest rate risks

Changes in market rates of interest can affect the Company and the Group's investments in a variety of different ways:

- Changes in the general level of interest rates can affect the spread between, amongst other things, the income on its assets and the expense of its interest bearing liabilities, the value of its interest-earning assets and its ability to realise gains from the sale of assets (should this be desirable).The Company, in valuing its investments, uses a discounted cash flow methodology. Changes in market rates of interest (particularly government bond rates) will impact the discount rate used to value the Company's future projected cash flows and thus its valuation. Higher rates will have a negative impact on valuation while lower rates will have a positive impact.
- The Group may finance its activities with both fixed and floating rate debt. The Company has a corporate level debt facility that may be drawn from time to time. The Company may employ a hedging strategy with the aim of counteracting this, including engaging in interest rate swaps, caps, floors or other interest rate contracts, or buying and selling interest rate

futures or options on such futures. However, there can be no assurance that such arrangements will be entered into or, in the event that they are entered into, that they will be sufficient to cover such risk.

- The Company and underlying investment entities typically choose or can be required to hold various cash balances, including contingency reserves for future costs (such as major lifecycle maintenance or debt service reserves). These are generally held on interest bearing accounts and under the contractual terms applicable to certain investments which in many cases are projected to be held for the long term. The Company assumes that it will earn interest on such deposits over the long term. Changes in interest rates may mean that the actual interest receivable by the Company is less than projected. If the Company receives less interest than it projects this will impact cash flows and NAV adversely.

Further investments

Further investments may not be available to the Group or may only be available on terms different to those in the Current Portfolio. Where further investments are available, the Group will make them where it has sufficient finance, whether by using existing reserves, by borrowing or by issuing further shares. Although the Group's existing debt Facility is available for drawdown until the last business day (as defined in the Facility) in April 2019, and although it expects to be able to borrow thereafter on reasonable terms and that there will be a market for further shares, there can be no guarantee that this will always be the case in the longer term. The macro-economic environment has, and may continue to have, an impact on the availability of funds.

Taxation Risks

Taxation

Investors should consider carefully the information given in Part VIII of this Prospectus and should take professional advice about the consequences for them of investing in the Company.

The Group structure through which the Company makes investments, whilst designed to maximise post-tax returns to investors, is based on the Directors' understanding of the current tax law and practice of the United Kingdom, Luxembourg and Guernsey. Such law or practice is subject to change, and any such change may reduce the net return to investors, and the Group may incur costs in taking steps to mitigate this effect.

To the extent that the Group's investments are outside the UK, it is possible that the Group will be subject to some amount of foreign income, capital gains and/or withholding taxes with respect to such investments.

Tax residence

The statements relating to taxation in this Prospectus are made on the basis that the tax residency of the companies within the Group is maintained in the jurisdictions stated.

Change in Legislation

Change in tax legislation in one or more of the jurisdictions in which the Company has investments could reduce returns impacting on the Company's cash flow and valuation.

Change in Tax Rates

Most recently the Company has benefitted from reductions in the rate of UK corporation tax, positively impacting its UK-based investments; however, there is a risk that this could be reversed if there were a change in government or policy. Such changes may occur in any or all jurisdictions in which the Company operates.

Base Erosion and Profit Shifting

The OECD's Action Plan on Base Erosion and Profit Shifting (''BEPS''), published in 2013, seeks to address perceived flaws in international tax rules. It sets out 15 actions to counter BEPS in a comprehensive and coordinated way. The final reports on these 15 actions were published on 5 October 2015 and it is the responsibility of the OECD members to consider how the BEPS recommendations should be reflected in domestic national legislation. It is possible that the implementation of the BEPS actions in specific jurisdictions may have negative implications for the Company, including the potential for a reduction in the tax deductibility of the debt interest (notwithstanding the potential for a carve out for public interest entities which may mitigate the impact on some or all of the underlying infrastructure investment entities).

Interest deductibility cap

The HM Treasury have published a consultation on new UK tax rules which will introduce a restriction on the deductibility of UK interest expense with effect from 1 April 2017. In broad terms, unless the public benefit infrastructure exemption applies, these new rules will limit the deductibility of UK interest expense to the higher of 30 per cent. of UK taxable profits and a group ratio based on the net interest to EBITDA ratio of the worldwide group, subject to a group being able to deduct net UK interest expense up to £2 million per annum. In addition, the existing worldwide debt cap rules will be adapted so that a group's net UK interest deductions cannot exceed the global net third party expense of the group. If these restrictions apply, then there could be an increased UK corporation tax liability for the Group.

Change in accounting standards, tax law and practice

Financing structures of Portfolio Companies are based on assumptions regarding prevailing taxation law, accounting standards and practice. Any change in a Portfolio Company's tax status or in tax legislation (including in relation to taxation rates and allowances) or in accounting standards could adversely affect the investment return of the Portfolio Company. In particular, if returns from infrastructure equity reach a high level, there is a risk that governments may seek to recoup returns that they deem to be excessive either on individual projects or more generally.

Transfer pricing

To the extent that interest paid by Portfolio Companies and Holding Entities on debt provided by parties interested in the equity of the Portfolio Company (for example, the subordinated debt element of the Infrastructure Equity) exceeds arm's length rates or the quantum of any debt provided by such interested parties exceeds that which would have been available at arm's length, the relevant tax authorities may seek to restrict the allowable deduction for such interest payments to arm's length rates. This could result in more tax being paid by a Portfolio Company or Holding Entity and ultimately may reduce the return to investors.

Withholding tax

There can be no assurance that entities in which the Group invests will not be required to withhold tax on the payment of interest or dividends. Such withholding tax may not be recoverable and so any such withholding would have an adverse effect on the Company's value.

FATCA and Automatic Exchange of Information

FATCA imposes a reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to a non-US financial institution (a ''foreign financial institution'' or ''FFI'') that does not become a ''Participating FFI'' and is not otherwise exempt or deemed compliant. . The payments in question are payments of US-source income (including dividends and interest), and (from 1 January 2019) gross proceeds from the sale or other disposal of property that can produce US-source interest or dividends, and (from the later of 1 January 2019 or the date of publication of certain final regulations) a portion of non-US source payments from certain non-US financial institutions to the extent attributable to US source payments. The Company is an FFI for FATCA purposes. In general, an FFI becomes a Participating FFI by entering into an agreement with the US Internal Revenue Service (''IRS'') to provide certain information about its investors or account holders. Alternatively, certain FFIs may be deemed compliant with FATCA, including pursuant to an intergovernmental agreement.

Pursuant to the US-Guernsey IGA, Guernsey has implemented FATCA, and the Company will therefore be deemed compliant with FATCA provided that it complies with the due diligence and reporting obligations set out in Guernsey legislation implementing FATCA. The deadline for the 2016 reporting year will be 30 June 2017. The deadline for 2017 onwards will be 30 June following the end of the reported calendar year. No assurance can be provided that the Company will satisfy Guernsey legal requirements and be deemed compliant with FATCA. If the Company does not satisfy these legal requirements and is not deemed compliant with FATCA, the Company may be subject to a 30 per cent. withholding tax on all, or a portion of all, payments received, directly or indirectly, from US sources or in respect of US assets including the gross proceeds on the sale or disposition of certain US assets. Any such withholding imposed on the Company would reduce the amounts available to the Company to make payments to its Shareholders.

If the Company does become deemed compliant with FATCA, Shareholders may be required to provide certain information to the Company or otherwise comply with (or be exempt from) FATCA

to avoid withholding on certain amounts paid by the Company. The Company will also have reporting obligations to the Guernsey Income Tax Office.

If an amount in respect of FATCA withholding tax is deducted or withheld, the Company will not pay additional amounts as a result of the deduction or withholding. As a result, Shareholders may, if FATCA is implemented as currently agreed under the IGA, receive a smaller net investment return from the Company than expected.

Under the US-Guernsey IGA and Guernsey's implementation of that agreement, securities that are ''regularly traded'' on an established securities market, such as the Main Market, are not considered financial accounts and are not subject to reporting. For these purposes, the Ordinary Shares will be considered ''regularly traded'' if there is a meaningful volume of trading with respect to the Ordinary Shares on an on-going basis. Notwithstanding the foregoing, an Ordinary Share will not be considered ''regularly traded'' and will be considered a financial account if the holder of the Ordinary Share (other than a financial institution acting as an intermediary) is registered as the holder of the Ordinary Share on the Company's share register. Such Shareholders will be required to provide information to the Company to allow the Company to satisfy its obligations under FATCA, although it is expected that whilst the Ordinary Shares are held in uncertificated form through CREST, the holder of the Ordinary Shares will likely be a financial institution acting as an intermediary. Additionally, even if the Ordinary Shares are considered regularly traded on an established securities market, Shareholders that own Ordinary Shares through financial intermediaries may be required to provide information to such financial intermediaries in order to allow the financial intermediaries to satisfy their obligations under FATCA. Notwithstanding the foregoing, the relevant rules under FATCA may change and, even if the Ordinary Shares are considered regularly traded on an established securities market, Shareholders may, in the future, be required to provide information to the Company in order to allow the Company to satisfy its obligations under FATCA.

The OECD has been actively engaged in working towards exchange of information on a global scale and has published the global CRS for multilateral exchange of information. Over 90 .jurisdictions (including Guernsey) have now implemented the CRS. These exchange of information rules will apply where they have been implemented under domestic law. A group of these countries (including Guernsey) have committed to a common implementation timetable which will see the first exchange of information in 2017 in respect of accounts open at and from the end of 2015, with further countries committed to implement the new global standard by 2018. The Company or another financial institution to or through which any payment with respect to the Ordinary Shares is made, may be required to comply with the aforementioned exchange of information requirements. Although Shareholders or beneficial owners of the Ordinary Shares must satisfy any request for information pursuant to such requirements, no withholding tax will apply under the CRS. Shareholders or beneficial owners of the Ordinary Shares will be required to self-certify the information provided by them. This information may be provided to the local tax authorities who may disclose the information to the relevant tax authorities in another jurisdiction.

Each prospective investor should consult its own tax adviser to obtain a more detailed explanation of FATCA and the CRS and to learn how this legislation might affect the investor in its particular circumstance.

IMPORTANT INFORMATION

General

This Prospectus should be read in its entirety before making any application for New Ordinary Shares. In assessing an investment in the Company, investors should rely only on the information in this Prospectus and any supplementary prospectus published by the Company prior to Admission. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and any such supplementary prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Directors, the Investment Adviser, Canaccord Genuity or any of their respective affiliates, directors, officers, employees or agents or any other person.

Without prejudice to any obligation of the Company to publish a supplementary prospectus, neither the delivery of this Prospectus nor any subscription or purchase of New Ordinary Shares made pursuant to this Prospectus shall, under any circumstances, create 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.

Canaccord Genuity and its affiliates may have engaged in transactions with, and have provided various investment banking, financial advisory and other services for, the Company or the Investment Adviser for which they would have received fees. Canaccord Genuity and its affiliates may provide such services to the Company, the Investment Adviser or any of their respective affiliates in the future.

In connection with the Issue, Canaccord Genuity and any of its affiliates acting as an investor for its or their own account(s), may subscribe for the New Ordinary Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities of the Company, any other securities of the Company or other related investments in connection with the Issue or otherwise. Accordingly, references in this document to the New Ordinary Shares being issued, offered, subscribed or otherwise dealt with, should be read as including any issue or offer to, or subscription or dealing by, Canaccord Genuity and any of its affiliates acting as an investor for its or their own account(s). Canaccord Genuity does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

The Company consents to the use of this Prospectus by the Intermediaries (listed in paragraph 14 of Part X of this Prospectus, together with any other Intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offer after the date of this Prospectus), in connection with the Intermediaries Offer in the United Kingdom on the following terms: (i) in respect of Intermediaries who are appointed by the Company on or prior to the date of this Prospectus, from the date of this Prospectus; and (ii) in respect of Intermediaries who are appointed by the Company after the date of this Prospectus, from the date on which they are appointed to participate in the Intermediaries Offer and agree to adhere to and be bound by the terms and conditions on which each Intermediary has agreed to be appointed by the Company to act as an Intermediary in the Intermediaries Offer and under which Intermediaries may apply for New Ordinary Shares in the Intermediaries Offer, in each case until the closing of the Intermediaries Offer.

The offer period, within which any subsequent resale or final placement of securities by Intermediaries can be made and for which consent to use this Prospectus is given, commences on 23 February 2017 and closes at 11.00 a.m. on 17 March 2017, unless closed prior to that date (any such closure to be announced via a Regulatory Information Service Provider).

Any Intermediary that uses the Prospectus must state on its website that it uses the Prospectus in accordance with the Company's consent. Intermediaries are required to provide the terms and conditions of the Intermediaries Offer to any prospective investor who has expressed an interest in participating in the Intermediaries Offer to such Intermediary. **Information on the terms and conditions of any subsequent resale or final placement of securities by any Intermediary is to be provided at the time of the offer by the Intermediary.** The Company consents to the use of this Prospectus and accepts responsibility for the content of this Prospectus

also with respect to subsequent resale or final placement of securities by any Intermediary given consent to use this Prospectus.

Any new information with respect to Intermediaries unknown at the time of approval of this Prospectus will be available on the Company's website at *www.hicl.com*.

Regulatory information

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, New Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful. Issue or circulation of this Prospectus may be prohibited in some countries. Prospective investors should consider carefully (to the extent relevant to them) the notices to residents of various countries set out in the section headed ''Notices to Non-UK Investors'' in this Prospectus.

This Prospectus relates not only to the issue of the New Ordinary Shares but also sets out information relating to the Tap Shares. The gross proceeds of the issue of the Tap Shares were £113.4 million and the aggregate expenses of the issue amounted to approximately £0.9. The net proceeds of £112.5 million were used to meet the Company's then net funding requirement.

This Prospectus has been approved by the UKLA as a prospectus which may be used to offer securities to the public for the purposes of section 85 of FSMA and Directive 2003/7/EC (as amended by Directive 2010/73/EU), subject to compliance with the Alternative Investment Fund Managers Regulations 2013. No arrangement has, however, been made with the competent authority in any other EEA State (or any other jurisdiction) for the use of this Prospectus as an approved prospectus in such jurisdiction and, accordingly, no public offer is to be made in such jurisdictions.

The Company has given written notification to the FCA that it intends to market the New Ordinary Shares in accordance with section 59(1) of the Alternative Investment Fund Managers Regulations 2013. The Company is authorised by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) under the Swedish Alternative Investment Fund Managers Act (2013:561) to market interests in the Company to professional investors in Sweden in accordance with such Act. The Company has notified the Central Bank of Ireland of its intention to market shares and other interests in the Company to professional investors in Ireland in accordance with Regulation 43 of the European Union (Alternative Investment Fund Managers) Regulations 2013.

At the date of this Prospectus, the Company has not applied to offer the New Ordinary Shares to investors under the national private placement regime of any EEA State, save for the United Kingdom, Ireland and Sweden, but retains the discretion to do so at any time.

The Company and its Directors accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this 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 have taken all reasonable care to ensure that the facts stated in this Prospectus are true and accurate in all material respects, and that there are no other facts, the omission of which would make misleading any statement in this Prospectus, whether of facts or of opinion. All the Directors accept responsibility accordingly.

Investment considerations

The contents of this Prospectus or any other communications from the Company, the Investment Adviser, Canaccord Genuity and their respective affiliates, directors, officers, employees or agents are not to be construed as advice relating to legal, financial, taxation, investment or any other matters. Prospective investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of New Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of New Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the New Ordinary Shares.

Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

The New Ordinary Shares are designed to be held over the long term and may not be suitable as short-term investments. There is no guarantee that any appreciation in the value of the Company's investments will occur or that the Company will achieve its distribution targets (which for the avoidance of doubt are targets only and not profit forecasts), and investors may not get back the full value of their investment. Any investment objectives of the Company are targets only and should not be treated as assurances or guarantees of performance. It should be remembered that the price of the New Ordinary Shares, and the income from them, can go down as well as up.

All Shareholders are entitled to the benefit of, bound by and are deemed to have notice of the provisions of the Memorandum and Articles of the Company, which investors should review. A summary of the Memorandum and Articles can be found in Part X of this Prospectus and a copy of the Articles can be found on the Company's website at *www.hicl.com*.

Typical investors

An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company, for whom an investment in the New Ordinary Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) which might result from such investment. Typical investors in the Company are UK based asset and wealth managers regulated or authorised by the FCA, other institutional and sophisticated investors and private individuals (some of whom may invest through brokers). Investors should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser before making an investment in the Company.

Forward-looking statements

This Prospectus includes statements that are, or may be deemed to be, ''forward-looking statements''. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms ''believes'', ''estimates'', ''anticipates'', ''expects'', ''intends'', ''may'', ''will'' or ''should'' or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts.

All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause the Company's actual results to differ materially from those indicated in these statements. These factors include but are not limited to those described in the part of this Prospectus entitled ''Risk Factors'', which should be read in conjunction with the other cautionary statements that are included in this Prospectus. Any forward-looking statements in this Prospectus reflect the Company's current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Company's operations, results of operations and growth strategy.

Given these uncertainties, prospective investors are cautioned not to place any undue reliance on such forward-looking statements.

These forward-looking statements apply only as of the date of this Prospectus. Subject to any obligations under FSMA, the Prospectus Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. Prospective investors should specifically consider the factors identified in this Prospectus which could cause actual results to differ before making an investment decision.

For the avoidance of doubt, nothing in the foregoing paragraphs under the heading ''Forward-looking statements'' constitutes a qualification of the working capital statement contained in Part IX of this Prospectus.

Data Protection

The information that a prospective investor in the Company provides in documents in relation to a subscription for New Ordinary 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 Guernsey or the United Kingdom to whom it may delegate certain administrative functions in relation to the Company), the Receiving Agent,

the Registrar and/or the Administrator in compliance with the relevant data protection legislation and regulatory requirements of Guernsey and/or the United Kingdom (as applicable). Each prospective investor acknowledges and consents that such information will be held and processed by the Company (or any third party, functionary, or agent appointed by the Company), the Investment Adviser, the Registrar, the Receiving Agent and/or the Administrator for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering and anti-terrorist financing procedures;
- contacting the prospective investor with information about other products and services provided by the Investment Adviser, or its affiliates, which may be of interest to the prospective investor;
- carrying out the business of the Company and the administering of Ordinary Shares in the Company;
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in Guernsey and/or elsewhere; and
- disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Each prospective investor acknowledges and consents that where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company), the Investment Adviser, the Registrar, the Receiving Agent and/or the Administrator to:

- disclose personal data to third party service providers, agents or functionaries, whether situated in or outside of Guernsey and/or the EEA appointed by the Company or its agents to provide services to prospective investors; and
- transfer personal data outside of Guernsey and/or the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the United Kingdom and Guernsey.

If the Company (or any third party, functionary or agent appointed by the Company), the Investment Adviser, the Registrar, the Receiving Agent and/or the Administrator discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

Prospective investors are responsible for informing any third party individual to whom the personal data relates to the disclosure and use of such data in accordance with these provisions.

Current Taxation Law and Practice

Information on taxation provided in Part VIII of this Prospectus is a general guide only and is based on current UK, Guernsey and Luxembourg taxation law and the current practices of the UK, Guernsey and Luxembourg taxation authorities and should not be regarded as legal or tax advice. Prospective investors should consult their own professional advisers. Taxation law and practices may change in the future to the disadvantage of the Company and Shareholders.

No incorporation of website

The contents of the Company's website at *www.hicl.com* do not form part of this Prospectus. Investors should base their decision to invest on the contents of this Prospectus and any supplementary prospectus published by the Company prior to Admission alone and should consult their professional advisers prior to making an application to subscribe for New Ordinary Shares.

Presentation of information

Market, economic and industry data

Market, economic and industry data used throughout this Prospectus is derived from various industry and other independent sources. The Company confirms 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 ''GBP'', ''Sterling'', ''£'', ''pence'' or ''p'' are to the lawful currency of the UK, all references to ''US$'' are to the lawful currency of the US, all references to ''CAD'' are to the lawful currency of Canada, all reference to ''AUD'' are to the lawful currency of Australia, and all references to ''€'' or ''Euro'' are to the lawful currency of the Eurozone countries.

Latest Practicable Date

Unless otherwise indicated, the latest practicable date for the inclusion of information in this Prospectus is close of business on 21 February 2017.

Definitions

A list of defined terms used in this Prospectus is set out in the section heading ''Definitions'' at the end of this Prospectus.

Governing law

Unless otherwise stated, statements made in this Prospectus are based on the law and practice currently in force in England and Wales, Guernsey or Luxembourg (as appropriate) and are subject to changes.

EXPECTED TIMETABLE

	2017
Record Date for entitlement under the Open Offer	close of business on 20 February
Announcement of the Issue, publication and posting of the Prospectus, Circular, and Form of Proxy and Open Offer Application Forms	23 February
Offer for Subscription, Placing and Intermediaries Offer opens	23 February
Ex-entitlement date for the Open Offer	8.00 a.m. on 24 February
Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts of Existing CREST Shareholders into CREST	24 February
Recommended latest time for requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 13 March
Latest time for depositing Open Offer Entitlements and Excess CREST Open Offer Entitlements into CREST	3.00 p.m. on 14 March
Latest time and date for splitting of Open Offer Application Forms	3.00 p.m. on 15 March
Latest time and date for receipt of Forms of Proxy	9.30 a.m. on 16 March
Latest time and date for receipt of completed Application Forms and payment in full under the Offer for Subscription	11.00 a.m.on 17 March
Latest time and date for receipt of completed application forms from Intermediaries in respect of the Intermediaries Offer	11.00 a.m. on 17 March
Latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer (including the Excess Application Facility) or settlement of relevant CREST instruction	11.00 a.m. on 17 March
Extraordinary General Meeting	9.30 a.m. on 20 March
Latest time and date for receipt of Placing commitments	12.00 noon on 21 March
Results of the Issue announced	22 March
Shares issued to investors pursuant to the Placing on a T+2 basis	22 March
Admission and commencement of dealings in New Ordinary Shares	8:00 a.m. on 24 March
CREST members' accounts credited in respect of New Ordinary Shares in uncertificated form (for New Ordinary Shares in the Open Offer, Offer for Subscription and the Intermediaries Offer)	As soon as possible on 24 March
Despatch of definitive share certificates for New Ordinary Shares in certificated form (for New Ordinary Shares in the Open Offer, Offer for Subscription and the Intermediaries Offer)	31 March

Notes:

- *All references to times in this Prospectus are to London times unless otherwise stated.*
- *The dates and times specified above are subject to change. In particular, the Directors may with the prior approval of Canaccord Genuity bring forward or postpone the closing time and date for the Placing, the Open Offer, the Offer for Subscription and the Intermediaries Offer by up to two weeks. In the event that such date is changed, the Company will notify investors who have applied for New Ordinary Shares of changes to the timetable either by post, by electronic mail or by the publication of a notice through a Regulatory Information Service provider to the London Stock Exchange.*
- *Underlying Applicants who apply under the Intermediaries Offer for New Ordinary Shares will not receive share certificates.*
- *Prospective investors who apply for New Ordinary Shares in the Intermediaries Offer should consult their Intermediary as to when they will be sent documents in respect of New Ordinary Shares that they have been allocated and when they may commence dealing in any such New Ordinary Shares.*

ISSUE STATISTICS

Issue Price per New Ordinary Share	159 pence
Number of New Ordinary Shares being issued*	128,930,818
ISIN for the New Ordinary Shares	GB00B0T4LH64
SEDOL for the New Ordinary Shares	B0T4LH6
ISIN for New Ordinary Shares under the Open Offer	GG00BYXR0H29
ISIN for Excess Shares under the Excess Application Facility	GG00BYXR0J43
Legal Entity Identifier (LEI) for the Company	213800H6OSKM57C6WS55
Estimated net proceeds of the Issue*	202.35 million

* *assuming that the Issue is fully subscribed and the Directors proceed at the target issue size.*

DIRECTORS, AGENTS AND ADVISERS

Directors (all non-executive)	Ian Russell CBE (*Chairman*) Frank Nelson (*Senior Independent Director*) Sarah Evans Sally-Ann Farnon Simon Holden Kenneth D. Reid Chris Russell
Administrator, Company Secretary and Registered Office	**Aztec Financial Services (Guernsey) Limited** East Wing Trafalgar Court Les Banques St Peter Port Guernsey
Registrar	**Capita Registrars (Guernsey) Limited** Mont Crevelt House Bulwer Avenue St Sampson Guernsey GY2 4LH
Receiving Agent	**Capita Asset Services** Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
UK Transfer Agent	**Capita Asset Services** The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Administrator to Luxcos	**RSM Tax & Accounting Luxembourg** 6 Rue Adolphe L-1116 Luxembourg
Investment Adviser and Operator	**InfraRed Capital Partners Limited** 12 Charles II Street London SW1Y 4QU
Sponsor and Placing Agent	**Canaccord Genuity Limited** 88 Wood Street London EC2V 7QR
Principal Bankers	**The Royal Bank of Scotland International** P.O. Box 62 Royal Bank Place 1 Glategny Esplanade St Peter Port Guernsey, GY1 4BQ
Auditors	**KPMG Channel Islands Limited** Glategny Court Glategny Esplanade Guernsey GY1 4AN
Reporting Accountants	**KPMG LLP** 15 Canada Square London E14 5GL

Legal Advisers to the Company as to English Law	**Hogan Lovells International LLP** Atlantic House Holborn Viaduct London EC1A 2FG
Legal Advisers to the Company as to Guernsey Law	**Carey Olsen** P.O. Box 98 Carey House Les Banques St Peter Port Guernsey GY1 4BZ
Legal Advisers to Canaccord Genuity	**Norton Rose Fulbright LLP** 3 More London Riverside London SE1 2AQ

PART I

INTRODUCTION TO THE COMPANY AND THE ISSUE

Introduction

The Company is a limited liability, Guernsey-incorporated, closed-ended investment company whose Ordinary Shares have a premium listing on the Official List and are traded on the Main Market. It is also a component of the FTSE 250 Index. An investment in the Company enables investors to access the income stream from a diversified and established portfolio of quality infrastructure investments.

Shortly after its launch in March 2006, the Initial Portfolio comprised 15 infrastructure investments. The Group has acquired 105 further new infrastructure investments since launch (in addition to the Initial Portfolio), and has made 62 follow-on investments which have been financed by Group Debt, issues of C Shares in 2008, 2009, 2010 and 2012, an issue of new Ordinary Shares in 2013 and a number of tap issues, including the issue of the Tap Shares. The Group has also disposed of five investments and repaid one junior loan investment in full since launch.

The Current Portfolio consists of Infrastructure Equity in 114 Portfolio Companies, principally in PPP projects (such as hospitals, schools and government accommodation) and also demand-based assets (such as toll roads and student accommodation). While the majority of the Current Portfolio comprises investments in the UK, the Group has also made investments in the Republic of Ireland, France, the Netherlands, Canada, USA and Australia.

Background to the Issue

Since the Company's most recent tap issue in September 2016, the Group has:

- completed a number of further investments which have been financed either by the proceeds of the tap issue or from Group Debt, which are in summary:
    - The acquisition of a portfolio of equity and loan note interests in six PPP projects (five in the UK, one in Ireland) from HOCHTIEF PPP Solutions Gmbh, a subsidiary of Hochtief AG, for £22.7 million in November 2016. These investments were a 20.4% interest in Bangor and Nendrum Schools, a 25.5% interest in Salford Schools, a 25.5% interest in East Ayrshire Schools, a 25.5% interest in North Ayrshire Schools, and incremental interests of 25.5% each in both Manchester School and Cork School of Music, which brings the total interests in these two projects to 75.5%.
    - The acquisition of equity and loan note interests in two PPP projects in the Netherlands from Ballast Nedam for a total consideration of €21.3 million in December 2016. These investments were a 20% interest in the A9 Gaasperdammerweg Road Project and an incremental 25% interest in the Zaanstad Penitentiary Project.
    - The acquisition of a 13.8% interest in the A63 Motorway in France from Colas Sud Ouest and Spie Batignolles for a total consideration of €87 million in January 2017. This was originally announced as a conditional acquisition in February 2016.
- contracted to make the Committed Investment that is due to complete during March 2017 (subject to the satisfaction of certain conditions), which, in summary, is a commitment entered into by the Group in December 2016 to purchase a 33.3 per cent. equity interest in the Northwest Parkway toll road in Colorado, USA from Brisa for approximately US$166.0 million.

With the Committed Investment, the Company has a current funding requirement of approximately £203 million. In addition, the pipeline of potential new acquisitions remains healthy and, as at the date of this Prospectus, the Investment Adviser has identified a number of Additional Investments with an aggregate value of approximately £50 million. Further Additional Investments may be made, contracted to be made or identified prior to Admission. The target size of the Issue does not take into account any Additional Investments. The Board will review the proposed Additional Investments prior to Admission and will determine whether to increase the size of the Issue in order to take

account of some or all of such investments (but not above £260 million, being the maximum size of the Issue).

There can be no assurance, however, that the Committed Investment or the Additional Investments (if any) will be made.

Further information on the Current Portfolio (which includes the Committed Investment) is set out in Part IV of this Prospectus.

The Issue and the New Ordinary Shares

The Company is now seeking to raise £205 million (before expenses) through the Placing, Open Offer, Offer for Subscription and Intermediaries Offer of New Ordinary Shares. The Directors have also reserved the right, in consultation with Canaccord Genuity, to increase the size of the Issue up to a maximum of £260 million to the extent that further Additional Investments arise and overall demand for New Ordinary Shares exceeds the target amount.

The net proceeds of the Issue will not in any event exceed the aggregate of: (i) the Group's total funding requirement of £203 million; and (ii) the aggregate consideration expected to be payable for any Additional Investments.

If the Issue meets its target size of £205 million, it is expected that the Company will receive approximately £202.35 million from the Issue, net of fees and expenses associated with the Issue, which are anticipated to amount to approximately £2.65 million. If the Issue is increased to its maximum size of £260 million and is fully subscribed, it is expected that the Company will receive approximately £256.71 million from the Issue, net of fees and expenses associated with the Issue, which are anticipated to amount to approximately £3.29 million. The Issue is not underwritten.

The Company intends to use the net proceeds of the Issue in the following order of priority (in each case, where sufficient and assuming completion is reached): (i) to repay outstanding borrowings under the Facility; and/or (ii) to make the Committed Investment; and (iii) to make any Additional Investments. If the net proceeds are not sufficient to fund the Committed Investment, the Group intends to make up any shortfall by borrowing under the Facility. If the net proceeds are not sufficient to fund any of the Additional Investments, the Group will fund the Additional Investments in full or in part by borrowing under the Facility where the Group Debt outstanding after such acquisition or acquisitions would be at a level that the Board considers prudent having regard to the terms of the Facility.

The New Ordinary Shares will only be issued at a price which (net of the costs of the Issue) is in excess of the prevailing Net Asset Value per Ordinary Share. In determining the Issue Price of 159 pence per New Ordinary Share, the Directors have added an appropriate premium to the prevailing Net Asset Value per Ordinary Share, to take into account the anticipated costs of the Issue and potential movements in the Net Asset Value per Ordinary Share between the date of this Prospectus and Admission. For these purposes, the Net Asset Value per Ordinary Share means the Net Asset Value per Ordinary Share excluding the aggregate amount of the third interim dividend for the financial year ending 31 March 2017 to which Existing Ordinary Shareholders are entitled but to which New Ordinary Shares issued under the Issue are not.

For information purposes only, the unaudited Net Asset Value per Ordinary Share as at 31 December 2016 was 147.4 pence.

Rationale for the equity raising

The Company's historical low correlation to the wider market of general equities, coupled with a relatively resilient Net Asset Value, has enabled it to play a valuable strategic role within investors' portfolios. The Company has demonstrated strong share price performance over the medium term, trading at a premium to Net Asset Value since April 2009, and has experienced sustained demand for its equity. This progress has been driven by an independent board and the performance of the Investment Adviser, whose team of professionals in this asset class provides experience and stability of service, alongside a strong track record.

The Company has a current funding requirement of approximately £203 million in aggregate, including the Committed Investment, which is expected to complete during March 2017. At present, the Company's ability to raise new monies by way of tap is limited to the outstanding level of authority to issue Ordinary Shares on a non-pre-emptive basis granted by the Company's Shareholders at the last annual general meeting, which stands at 56.1 million Ordinary Shares;

even if the Directors were to seek to renew that authority, the restrictions imposed by the Prospectus Rules would only permit a modest increase in that figure without the publication of a new prospectus.

In addition, the pipeline of potential new business remains healthy and the Company, in consultation with the Investment Adviser, believes that further attractive investment opportunities will arise in the coming months. Furthermore, the Directors recognise that it has been some time since Shareholders and other investors have had the opportunity to take part in a fundraising by the Company on a more formal footing than by way of a tap issue, which by its nature is typically undertaken on short notice with only limited time to determine whether and on what basis to participate.

Accordingly, the Directors have published this Prospectus in relation to the Issue and intend to convene the Extraordinary General Meeting for the purpose of seeking Shareholder approval for the Issue.

Given this backdrop, and in light of the positive prospects for further investments by the Group in the short to medium term, the Directors believe that a further issue of Ordinary Shares is in the best interests of the Company and of the Shareholders as a whole. By applying the proceeds of the Issue to meet the Company's net funding requirements (which for these purposes includes the commitment for the Committed Investment), the Company will:

- be acting in accordance with its established funding strategy;
- be best placed to take advantage of the investment opportunities which the Directors and the Investment Adviser anticipate arising in the future; and
- be afforded greater scope to develop and diversify its portfolio.

Benefits of the Issue

The Directors believe that the Issue will have the following benefits:

- The Company will be able to repay existing borrowings, acquire the Committed Investment and acquire any Additional Investments using the net proceeds of the Issue rather than its Facility, thereby freeing up the Facility to make further investments in the infrastructure market as these opportunities arise.
- The size of the Issue may be increased, affording the Company the flexibility to take advantage of opportunities to invest in any further Additional Investments that may arise on or prior to Admission. The Directors will consider whether the investment opportunities identified by the Investment Adviser constitute Additional Investments shortly prior to Admission and may increase the size of the Issue at their discretion, up to a maximum of £260 million, in consultation with Canaccord Genuity.
- The inclusion of an Open Offer ensures that a portion of the new share capital is reserved in the first instance for Existing Shareholders. Furthermore, the Directors recognise the importance of pre-emption rights to Shareholders; and consequently as the Issue is not fully pre-emptive are seeking the approval of Existing Shareholders for the Issue and for the disapplication of pre-emption rights in connection with the Issue by way of a special resolution at the Extraordinary General Meeting to be held on 20 March 2017.
- The market capitalisation of the Company will increase, and the secondary market liquidity in the Ordinary Shares is expected to be enhanced as a result of a larger and more diversified Shareholder base.
- The Company's fixed running costs will be spread across a larger asset base, thereby reducing the ongoing charges ratio.

Directors' intention to subscribe

As at the date of this Prospectus, the Directors intend to subscribe for, in aggregate, 115,000 New Ordinary Shares pursuant to the Issue.

Future investments by the Group

Investment objectives and Investment Policy

The Company seeks to provide investors with long-term, stable income from a portfolio of infrastructure investments that is positioned at the lower end of the risk spectrum. In addition to generating sustainable dividends, the Company aims to: (i) preserve the capital value of its investment portfolio over the long term, with the potential for capital growth; and (ii) provide a degree of correlation between the return[2] to Shareholders and changes in inflation rates.

At the time of the Company's launch, the distribution policy sought to grow the Company's annual distributions to 7 pence per Ordinary Share by March 2013. This target was met, and, since 2013, the Company has further increased its annual dividend such that 7.45 pence per Ordinary Share was paid in the financial year ended 31 March 2016. The Directors have set a target dividend for the current financial year (ending 31 March 2017) of 7.65 pence per Ordinary Share and the Company remains on track to deliver this. In addition, the Directors have set a target dividend for the financial year ending 31 March 2018 of 7.85 pence per Ordinary Share, and a target dividend for the financial year ending 31 March 2019 of 8.05 pence per Ordinary Share. Dividend guidance is reviewed regularly by the Board having regard to both the prevailing macro-economic conditions and the operational performance of the Company's portfolio. Based on the Investment Adviser's analysis of the Current Portfolio, the Directors believe that an IRR of approximately 5.6 per cent. is an achievable long-term target in respect of a New Ordinary Share, by reference to the Issue Price of 159 pence.

The Group aims to manage and grow a diversified portfolio which is not dominated by any single investment. The Group will seek to acquire Infrastructure Equity that fits within its Investment Policy and is consistent with the current investment strategy, which is set out below and is updated and communicated to Shareholders through the Company's annual reports.

The Group's Investment Policy is set out in full in Part II of this Prospectus.

Current investment strategy

The Group has, as part of its Investment Policy, an investment strategy which is reviewed annually by the Board and agreed with the Investment Adviser. The investment strategy has remained consistent since launch with some evolution to reflect changes in the scope of opportunities in the market for infrastructure investment. The primary focus of the Group is on operational infrastructure assets in the following core infrastructure market segments:

- *PPP projects*: predominantly with availability-based contracts and most likely to be operational, although projects under construction will be considered.
- *Regulated assets*: predominantly assets subject to price controls (such as gas and electricity transmission and distribution; and water utilities) but also including other revenue models such as the OFTO regime.
- *Demand-based assets*: assets where revenues vary depending on end-user demand, examples of which include student accommodation and operational toll roads.

Of possible interest, but only opportunistically, are:

- the debt funding of infrastructure assets, where attractively priced and appropriately structured;
- investments in portfolios of infrastructure assets managed through fund structures; and
- infrastructure assets with corporate counterparties, where revenue risk is mitigated through long-term contracts (for example, railway rolling stock).

The Investment Adviser evaluates investment opportunities in terms of their potential to be accretive to the then existing portfolio. This analysis is performed using four accretion metrics: total return (suitably adjusted for the risk associated with an opportunity); yield; inflation correlation; and remaining asset life. While opportunities may not be accretive across all metrics, the Investment Adviser seeks to make investments that in combination provide accretion to the then existing portfolio and further the investment objectives of the Company.

2 Return measured on the basis of movements in NAV per Ordinary Share plus dividends paid.

Opportunities for portfolio development

The Company, in consultation with the Investment Adviser, is continually seeking new infrastructure investments which: (i) are consistent with the investment strategy; (ii) will allow for development and diversification of the portfolio; and (iii) fall within the scope of the Group's Investment Policy; and (iv) have the required financial and risk characteristics to enable the Group to meet its investment targets. The focus for new investments remains within the three target market segments identified in the Company's investment strategy set out above.

The market for investments in PPP projects has evolved in recent years. The UK secondary market has matured and the Company, in consultation with the Investment Adviser, is seeing fewer opportunities in this area. At the same time, secondary market activity in other geographies (principally Europe but also North America and Australia) has increased and the Company expects to add to the Group's portfolio in these markets. In addition, procurement of new PPP projects continues in selected geographies (particularly in Europe, North America and Australia) and the Company expects to participate in these markets where it believes it can partner with credible counterparties and provide a compelling proposition to Clients.

The wider infrastructure market has also evolved since the Company's launch in 2006 and the Company, in consultation with the Investment Adviser, is seeing a broader spectrum of potential investment opportunities. The Company will actively consider investments which enhance the portfolio return and are consistent with its objective of producing income from a portfolio of infrastructure investments that is positioned at the lower end of the risk spectrum. These include regulated assets and demand-based assets. The Company is seeing secondary market opportunities for operational assets in both market segments and, more selectively, opportunities with construction risk (such as student accommodation).

Some demand-based assets (such as toll roads) have revenues that are closely correlated to changes in GDP, whereas the Current Portfolio produces returns that are not correlated to GDP. The Group does not intend to fundamentally change the uncorrelated nature of the portfolio and its appetite for GDP-correlated investments is therefore limited.

The Investment Adviser (on behalf of the Company) is considering a number of potential investment opportunities in each of the three target market segments identified in the investment strategy. Whilst there is no guarantee that suitable new investments will be found in the future, the Company, in consultation with the Investment Adviser, is confident that the diversity of activities under way, at varying stages of progress, will result in new attractive investment opportunities being sourced for the Group. The investment process is set out in more detail in Part V of this Prospectus.

Geographical diversification

In seeking new investment opportunities, the Company's current geographic focus involves a proactive approach in the UK, Europe, North America and Australia. The Company, in consultation with the Investment Adviser, believes there will be opportunities to acquire further investments in the UK, particularly PPP projects and regulated assets.

In Europe, with the growth of PPP as a procurement method in selected countries, there are a number of projects in construction which will become operational in due course. The Company, in consultation with the Investment Adviser, believes that, in the same way as happened in the UK, the sponsors of these projects will want, in due course, to sell their investments.

The market in the USA consists principally of a slow but steady stream of new PPP procurements (i.e. with construction risk) and also some demand-based assets (principally operational toll roads and new-build student accommodation). The Canadian PPP market is mature and the Company, in consultation with the Investment Adviser, anticipates seeing continued activity in both the secondary market for operational projects and also in relation to new procurements.

In Australia, the Company expects to see continued activity in the student accommodation market (both new-build and operational projects). Although the Australian PPP market is mature, the Company has seen a reduced flow of opportunities in recent years as investments in the secondary market are competitively bid and new procurement has proceeded at a slightly reduced rate. New Zealand continues to use PPP for new infrastructure investments.

Follow-on investments

Since launch, the Group has acquired 62 follow-on investments in Portfolio Companies in which it already held an investment. In the Current Portfolio, there are a number of shareholders in many of the Project Companies who may decide to dispose of their stakes in the future and, if this is the case, the Group is well placed to acquire any such stakes.

PART II

INFORMATION ON THE COMPANY

Introduction

The Company, which launched on 29 March 2006, is a limited liability, Guernsey-incorporated, closed-ended investment company and its Ordinary Shares are admitted to the Official List with a premium listing and to trading on the Main Market.

As at 21 February 2017, being the latest practicable date prior to the publication of this Prospectus, the Company had a market capitalisation of £2.466 billion. The Directors' valuation of the Company's portfolio as at 31 December 2016 was £2.36 billion. The unaudited NAV per Ordinary Share, on an investment basis, as at 31 December 2016, was 147.4 pence. The middle market closing share price at 31 December 2016 was 164.6 pence, and at 21 February 2017 (being the latest practicable date prior to publication of this Prospectus) was 169.0 pence.

The Company has been authorised by the GFSC under Section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) and the Authorised Closed-Ended Collective Investment Schemes Rules 2008 as an Authorised Closed-Ended Collective Investment Scheme and is regulated by the GFSC.

The Company's capital and operational structure

The Company's authorised share capital currently comprises £199,999.99 divided into 1,999,999,900 unclassified shares of 0.01 pence each. As at the date of this Prospectus, the Company has 1,458,943,663 Ordinary Shares in issue.

The Company makes its investments via the Holding Entities, which comprise a group structure involving two Luxembourg-domiciled investment companies and an English limited partnership. The assets of the Company are therefore held indirectly through the Holding Entities and any subsidiaries wholly owned by the general partner of the English limited partnership on behalf of the English limited partnership. InfraRed Capital Partners Limited is authorised and regulated in the UK by the FCA and acts as the Investment Adviser of the Company and as Operator of the Partnership.

The Group invests in infrastructure investments indirectly via the Holding Entities:

- The Company invests in equity and debt of Luxco 1, *a société à responsabilité limitée* established in Luxembourg, which in turn invests in equity and debt of a similar entity, Luxco 2. Both of the Luxcos are wholly owned subsidiaries of the Company. The Company controls the investment policies of the Luxcos.
- Luxco 2 is the sole limited partner in the Partnership, an English limited partnership which has a special purpose vehicle, the General Partner, as its general partner. The General Partner is a wholly owned indirect subsidiary of InfraRed Partners LLP. The General Partner, on behalf of the Partnership, has appointed the Operator as operator of the Partnership. Luxco 2 invests the contributions it receives from Luxco 1 in capital contributions and partner loans to the Partnership, which acquires and holds the infrastructure investments.

The Group's infrastructure investments are registered in the name of the General Partner, the Partnership or wholly owned subsidiaries of the Partnership.

Investment opportunity

The Company offers investors access to income streams from a Current Portfolio of 114 investments with a total value of £2.36 billion (being the Directors' valuation as at 31 December 2016). The Group intends to make further infrastructure investments in the future as suitable opportunities arise.

The Directors, in consultation with the Investment Adviser, believe that investments in infrastructure assets have attractive features when compared to investments in other asset classes (such as non-infrastructure equities and real estate) and, in particular, offer the following features:

- monopolistic assets providing essential services to society, with limited or no competition from other asset owners, that typically generate long-term cash flows;
- low correlation and limited exposure of PPP projects and regulated assets to economic and business cycles;
- assets that generally have central or local government counterparties (providing strong credit quality) or operate within a regulatory framework that is defined by law;
- inflation-linked revenue streams supported by indexation mechanisms set out in either contracts or regulatory frameworks;
- underlying market demand for infrastructure remaining strong globally, given political and economic imperatives worldwide and public budget constraints;
- relative stability of infrastructure projects which contrasts with the volatility in financial markets over the past five years; and
- valuation of infrastructure investments remaining relatively stable, reflecting the inherent value of the underlying income streams of the assets.

The Directors, in consultation with the Investment Adviser, also believe that an investment in the Company offers investors seeking an investment in infrastructure assets the following benefits:

- a stable dividend, with the potential for further growth;
- preservation of the capital value of the investment portfolio with the potential for capital growth;
- a diversified portfolio primarily focused on Infrastructure Equity investments in operational yielding assets with a proven track record;
- a portfolio of assets that combine size and type to maintain balance and diversification across the portfolio;
- the Group has the opportunity to purchase further stakes in Current Portfolio projects, giving an opportunity to enhance returns through benefits of scale;
- the Infrastructure Investment Team has strength and depth in key skills – deal sourcing, deal structuring and portfolio management – enhancing returns on a low risk basis;
- the Group's underlying assets typically have long-term amortising debt and do not require refinancing[3];
- the Company provides investors with a range of timely and relevant information assisting them to understand how the Current Portfolio is performing;
- the Infrastructure Investment Team has a network of contacts and relationships globally from which it will continue to source investment opportunities; and
- the Infrastructure Investment Team has experience of working internationally in countries where there are strong opportunities for further investments.

Investment Objectives

The Company seeks to provide investors with long-term, stable income from a portfolio of infrastructure investments that is positioned at the lower end of the risk spectrum. In addition to generating sustainable dividends, the Company aims to preserve the capital value of its investment portfolio over the long term, with potential for capital growth, and provide a degree of correlation between the return[4] to Shareholders and changes in inflation rates.

The Company is targeting an IRR of 7 to 8 per cent. on the original issue price of its Ordinary Shares in March 2006, to be achieved over the long term via active management, including the acquisition by the Group of further investments to complement the Current Portfolio, and by the prudent use of gearing.

Investment Policy

The Group's Investment Policy is to ensure a diversified portfolio which has a number of similarly sized investments and is not dominated by any single investment. The Group will seek to acquire

3 The Current Portfolio contains two assets, AquaSure Desalination PPP project and the Northwest Parkway toll road, where the Project Companies will need to refinance debt during the life of the concessions.

4 Return measured on the basis of movements in NAV per Ordinary Share plus dividends paid.

Infrastructure Equity with similar risk/reward characteristics to the Current Portfolio, which may include (but is not limited to):

- public sector, government-backed or regulated revenues;
- concessions which are predominantly ''availability'' based (i.e. the payments from the concession do not generally depend on the level of use of the project asset); and/or
- companies in the regulated utilities sector.

The Group will also seek to enhance returns for Shareholders by acquiring more diverse infrastructure investments. The Directors currently intend that the Group may invest in aggregate up to 35 per cent. of its total assets (at the time the relevant investment is made) in:

- Project Companies which have not yet completed the construction phases of their concessions but where prospective yield characteristics and associated risks are deemed appropriate to the investment objectives of the Company. This may include investment in companies which are in the process of bidding for concessions, to the extent that such companies form part of a more mature portfolio of investments which the Group considers it appropriate to acquire;
- Project Companies with ''demand'' based concessions where the Investment Adviser considers that demand and stability of revenues are not yet established, and/or Project Companies which do not have public sector sponsored/awarded or government-backed concessions; and
- to a lesser extent (but counting towards the same aggregate 35 per cent. limit, and again at the time the relevant investment is made) in limited partnerships, other funds that make infrastructure investments and/or financial instruments and securities issued by companies that make infrastructure investments, or whose activities are similar or comparable to infrastructure investments.

Geographic focus

The Directors believe that attractive opportunities for the Group to enhance returns for investors are likely to arise outside as well as within the UK (where the majority of the projects in the Current Portfolio are based). The Group may therefore make investments in the European Union, Norway, Switzerland, the Americas and selected territories in Asia and Australasia. The Group may also make investments in other markets should suitable opportunities arise. The Group will seek to mitigate country risk by concentrating on investment opportunities in jurisdictions where it considers that contract structures and enforceability are reliable and where (to the extent applicable) public sector obligations carry what the Investment Adviser believes to be a satisfactory credit rating and where financial markets are relatively mature.

Single investment limit and diversity of Clients and suppliers

For each new acquisition made, the Company will ensure that such investment acquired does not have an acquisition value (or, if it is a further stake in an existing investment, the combined value of both the existing stake and the further stake acquired is not) greater than 20 per cent. of the total gross assets of the Company immediately post acquisition. The total gross assets will be calculated based on the last published gross investment valuation of the portfolio plus acquisitions made since the date of such valuation at their cost of acquisition.

The purpose of this limit is to ensure the portfolio has a number of investments and is not dominated by any single investment.

In selecting new investments to acquire, the Investment Adviser will seek to ensure that the portfolio of investments has a range of public sector Clients and supply chain contractors, in order to avoid over-reliance on either a single Client or a single contractor.

Other investment restrictions

The Company is subject to certain investment restrictions pursuant to the Listing Rules which are reflected in the Investment Policy. Such investment restrictions are set out in more detail in Part X of this Prospectus.

Gearing

The Group intends to make prudent use of leverage to finance the acquisition of investments, to enhance returns to investors and to finance outstanding investment obligations. Under the Articles,

the Group's outstanding borrowings, excluding intra-group borrowings and the debts of underlying investee companies but including any financial guarantees to support subscription obligations, are limited to 50 per cent. of the Adjusted Gross Asset Value (meaning the fair market value, without deductions for borrowed money or other liabilities or accruals, and including outstanding subscription obligations) of its investments and cash balances at any time. The Group may borrow in currencies other than GBP as part of its currency hedging strategy.

Amendments

Any material amendments to the Investment Policy will require the prior approval of the FCA and Shareholders.

New investments and conflicts of interest

It is expected that further investments will be sourced by the Investment Adviser and it is likely that some of these will be investments that have been originated and developed by, and may be acquired from, the Investment Adviser (or its affiliates) or from a fund managed by the Investment Adviser (or its affiliates). In order to deal with these potential conflicts of interest, detailed procedures and arrangements have been established to manage transactions between the Group, the Investment Adviser (or its affiliates) or funds managed by the Investment Adviser (or its affiliates) (the ''Rules of Engagement''). If the Group invests in funds managed or operated by the Investment Adviser (or its affiliates), the Group shall bear any management or similar fees charged in relation to such fund provided, however, that the value of the Group's investments in such funds shall not be counted towards the valuation of the Group's investments for the purposes of calculating the fees/profit share payable to the Investment Adviser or the General Partner (as described in Part V of this Prospectus).

It is possible that in future the Group may seek to purchase certain investments from funds managed or operated by the Investment Adviser (or its affiliates) once those investments have matured and to the extent that the investments suit the Group's investment objectives and strategy. If such acquisitions are made, appropriate procedures from the Rules of Engagement will be put in place to manage the conflict.

Key features of the Rules of Engagement include:

- the creation of separate committees within the Investment Adviser. These committees represent the interests of the vendors on the one hand, the ''Sellside Committee'', and the Group on the other, the ''Buyside Committee'', to ensure arm's length decision making and approval processes. The membership of each committee is restricted in such a way as to ensure its independence and to minimise conflicts of interest arising;
- a requirement for the Buyside Committee to conduct an independent due diligence process on the assets proposed to be acquired prior to making an offer for their purchase;
- a requirement for any offer made for the assets to be supported by a report on the Fair Market Value for the transaction from an independent expert;
- the establishment of information barriers between the Buyside and Sellside Committees with appropriate information barrier procedures to ensure information that is confidential to one or the other side is kept confidential to that side; and
- the provision of a ''release letter'' to each employee of the Investment Adviser who is a member of the Buyside and Sellside Committees. The release letter confirms that the employee shall be treated as not being bound by his/her duties as an employee to the extent that such duties conflict with any actions or decisions which are in the employee's reasonable opinion necessary for him/her to carry out as a member of the Buyside or Sellside Committee.

In considering any such acquisition the Directors will, as they deem necessary, review and ask questions of the Buyside Committee and the Group's other advisers, to ensure that the Directors are satisfied that the terms of any such acquisitions are negotiated on an arm's length basis.

Investment performance

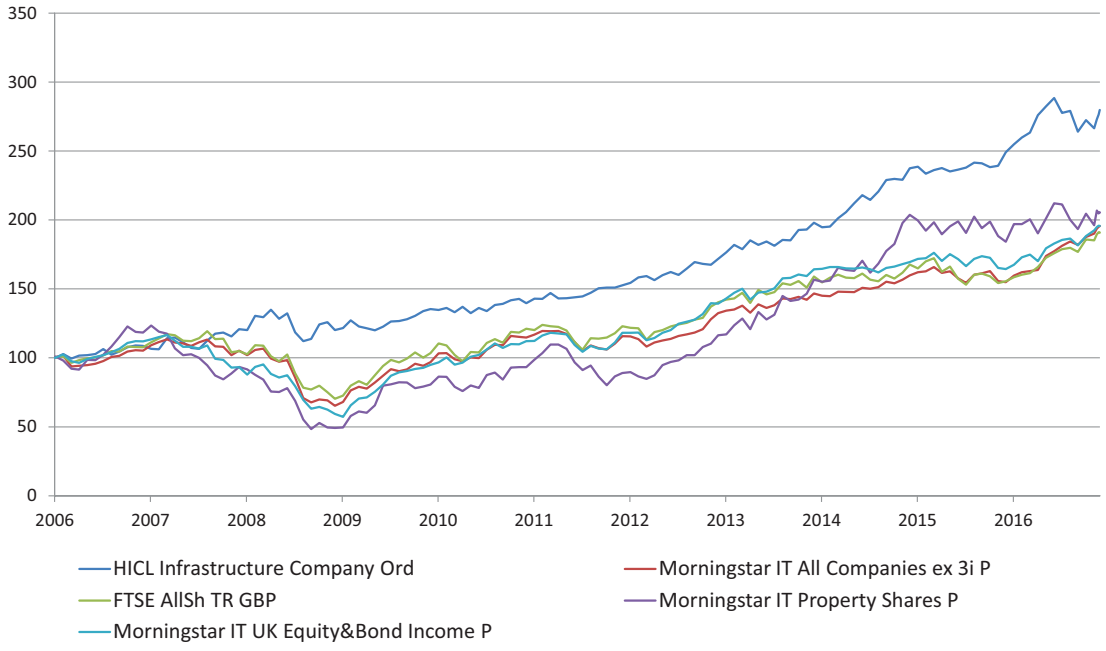
Over the period from 29 March 2006 to 31 December 2016, the Net Asset Value per Ordinary Share of the Company increased from 98.4 pence to 147.4 pence. The Company has achieved an annualised NAV total return of 9.8 per cent. (based on uplift in NAV per Ordinary Share and dividends declared) in the period from IPO to 31 December 2016. The Company announced on

2 February 2017 that the Directors' valuation of the Company's portfolio as at 31 December 2016 was £2.36 billion.

The Company made a total first year distribution of 6.1 pence per Ordinary Share, which was ahead of the target of 5.75 pence per Ordinary Share as set out in the launch prospectus. Distributions to Shareholders have increased progressively and for (i) the financial year ending 31 March 2014, the Company made total distributions of 7.10 pence per Ordinary Share; (ii) the financial year ending 31 March 2015, the Company made total distributions of 7.30 pence per Ordinary Share; and (iii) the financial year ending 31 March 2016 the Company made total distributions of 7.45 pence per Ordinary Share. The Company has made two interim dividend payments, each of 1.91 pence per Ordinary Share, for the financial year ended 31 March 2017. On 22 February 2017, the Company announced a third interim dividend of 1.91 pence per Ordinary Share for the financial year ending 31 March 2017. For the avoidance of doubt, investors in the New Ordinary Shares will not be entitled to receive the third interim dividend for the financial year ending 31 March 2017 of 1.91 pence per Ordinary Share which was announced on 22 February 2017.

The graph in Figure 1 below, together with the accompanying statistics in Figure 2, show the Company's total Shareholder return from listing on the Official List on 29 March 2006 to 21 February 2017 (being the latest practicable date for the purposes of this Prospectus), compared with the equivalent information over the same period in respect of the FTSE AllShare Index, the Investment Companies sector as a whole, and each of the UK Equity and Bond closed-end fund subsectors. These demonstrate the high level of performance delivered by the Company to Shareholders, over both the short and long term, when set against competing asset classes.

Figure 1: Company's total Shareholder return from 29 March 2006 to 21 February 2017



Source: Morningstar

Figure 2: Total Shareholder return for the Company compared to various benchmark indices

	6 Month	1 Year	5 Year	Since HICL Launch
HICL	-3%	13%	83%	180%
Morningstar IT All Companies ex 3i	10%	28%	69%	96%
FTSE All Share Index	7%	26%	54%	91%
Morningstar IT Property Shares	-3%	13%	129%	105%
Morningstar IT UK Equity&Bond Income	7%	20%	67%	96%

Source: Morningstar

Share liquidity

With the Company benefiting from a premium listing on the Official List and from admission to trading on the Main Market, and with a well-established two-way market for the secondary trading of the Company's share capital, liquidity in the Ordinary Shares is substantial. During the course of 2016, the average monthly turnover in the Company's Ordinary Shares was 53 million shares or 3.8 per cent. of the Company's average issued share capital over that period. This is equivalent to an average daily turnover in the Company's Ordinary Shares of 1.74 million shares.

Distribution policy

The Company's principal financial return objective is to offer a long-term, sustainable income for Shareholders. This is delivered through the Company's dividend target – an annual distribution of at least that paid during the prior financial year – with the prospect of increasing the figure provided it is sustainable with regard to the portfolio's forecast operational performance and the prevailing macro-economic outlook.

Distributions on the Ordinary Shares are paid four times a year, in respect of the three-month periods to 30 June, 30 September, 31 December and 31 March. Distributions have been made by way of dividend and, subject to market conditions, this is expected to continue. The Company may also make distributions by way of capital distributions (or otherwise in accordance with the Law and the Articles) as well as, or in lieu of, by way of dividend if and to the extent that the Directors consider this to be appropriate.

Further to Shareholder approval obtained at the Company's last annual general meeting, the Company may offer a scrip dividend alternative, issuing new Ordinary Shares in lieu of a dividend to those Shareholders who elect to receive the same. As at the date of this Prospectus, it is the intention of the Directors to continue to seek Shareholder approval at each annual general meeting to offer a scrip dividend alternative.

The New Ordinary Shares will, when issued and fully paid, rank equally in all respects with the Existing Ordinary Shares currently in issue, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue. For the avoidance of doubt, investors in the New Ordinary Shares will not be entitled to receive the third interim dividend for the financial year ending 31 March 2017 of 1.91 pence per Ordinary Share which was announced on 22 February 2017.

The Directors intend that the Company will generally restrict distributions (by way of dividend or otherwise) to the level of Distributable Cash Flows. The Directors may, where they consider this to be appropriate in respect of investments where such assets are not fully cash generative, distribute as dividend an amount up to the level of the Group's gross income, i.e. in excess of Distributable Cash Flows.

Project Companies which are operational usually make distributions to the Group twice a year, and occasionally these payments may be received shortly after a period end due to timing of payment process. The Directors intend to include such amounts in Distributable Cash Flows where it is clear these payments relate to the period concerned.

A proportion of Distributable Cash Flows includes cash receipts from the repayment of the subordinated debt element of the Infrastructure Equity in Project Companies in which the Group

invests. This is because the Directors believe that the value of the future cash distributions expected to be made by such Project Companies in the final years of their concessions should be sufficient to preserve the capital value of the investments until those cash distributions commence.

The Company retains the discretion to reinvest the capital proceeds of any investments which are transferred or sold by the Group during the life of the Company.

Borrowings

The Group intends to make prudent use of leverage to finance the acquisition of investments, to enhance returns to investors and to finance outstanding investment obligations. Under the Articles, the Group's outstanding borrowings, including any financial guarantees to support outstanding investment obligations but excluding internal Group borrowings, or borrowing of the Group's underlying investments, are limited to 50 per cent. of the Adjusted Gross Asset Value of its investments and cash balances at any time.

The Partnership has a £300 million Facility provided by the Royal Bank of Scotland plc, National Australia Bank Limited, Lloyds Bank plc, Sumitomo Mitsui Banking Corporation, HSBC Bank plc and ING Bank N.V. London Branch. The Facility is split into three tranches: a €200 million Euro tranche, an AUD130 million Australian dollar tranche and a US$125 million US dollar tranche. Each tranche is repayable by 31 May 2019 and can be drawn in cash in the respective currencies of the tranches or optional currencies (subject to certain limits). Drawings can be by the issue of letters of credit under the Euro and Australian dollar tranches. Further details of the Facility are set out in Part X of this Prospectus.

Currency and hedging policy

A portion of the Group's underlying investments may be denominated in currencies other than GBP. For example, a portion of the Current Portfolio is denominated in Euros, US dollars, Australian dollars and Canadian dollars. Any dividends or distributions in respect of the Ordinary Shares however will be made in GBP, and the market prices and Net Asset Value of the Ordinary Shares will be reported in GBP.

Foreign exchange risk from non-Sterling assets is managed by hedging investment income from overseas assets through the forward sale of the respective foreign currency (for up to 24 months) combined with balance sheet hedging through the forward sale of Euros, US dollars, Australian dollars and Canadian Dollars and by debt drawings under the Facility. This reduces the volatility in the Group's NAV from foreign exchange movements. The current hedging policy is designed to provide confidence in the near term yield and to limit NAV per share sensitivity to no more than 1% for a 10% forex movement. The Directors review this policy with the Investment Adviser on a regular basis and the policy may be varied in future depending on the cost of the policy when compared with its potential benefits.

Interest rate hedging may be carried out to seek to provide protection against increasing costs of servicing Group Debt drawn down to finance investments. This may involve the use of interest rate derivatives. Currency and interest rate hedging transactions will only be undertaken for the purpose of efficient portfolio management and will not be carried out for speculative purposes.

Financial information and reports to Shareholders

The Group's annual reports are prepared up to 31 March each year and copies are sent to Shareholders in June of that year. Shareholders also receive unaudited interim reports covering the six month period to 30 September in each year. The annual general meeting of the Company is held in Guernsey in each year, the most recent having been held on 19 July 2016.

The audited accounts of the Group are drawn up in GBP and prepared under IFRS. Under IFRS, the Group prepares an income statement which does not differentiate between revenue and capital. The Group's management and administration fees, finance costs and all other expenses are charged through the income statement. In addition, fair value changes of equity and loan stock investments in Portfolio Companies are recognised in the Group's income statement.

The Company applies IFRS 10, 11 and 12 as well as Investment Entities – Amendments to IFRS 10, IFRS 12 and IAS 27. A further amendment to IFRS 10 – Investment Entities: Applying the Consolidation Exemption (Amendments to IFRS 10, IFRS 12 and IAS 28) as issued in December 2014 has been adopted by the Company following adoption of the amendment by the EU in September 2016. This requires the Company to prepare IFRS financial statements which do

not consolidate any subsidiaries that are themselves investment entities, meaning that for the foreseeable future the Holding Entities will not be consolidated in the Company's financial statements. The Company's Interim Report for the period ended 30 September 2016 contained the first set of financial statements to be prepared on the new basis. The adoption of the latest IFRS 10 Amendments did not change the calculations of NAV per share or earnings per share compared to the previous approach, which was used for the Company's Annual Report for the period ended 31 March 2016 (which contained financial statements that consolidated the Holding Entities).

The Company and its advisers concluded that in order to continue reporting the most relevant financial performance and position to stakeholders, the Company would prepare *pro forma* summary financial information on the basis that the Company consolidates the results of the Holding Entities. This basis was designated the Investment Basis and presents the financial information in the same manner as previously in the March 2016 Consolidated Financial Statements. In particular they provide Shareholders with further information regarding the Group's gearing and expenses, coupled with greater transparency in the Company's capacity for investment and ability to make distributions.

Shareholder communication

The Company and the Investment Adviser, in conjunction with Canaccord Genuity, have developed a format and programme of regular investor briefings for institutional investors. These have to date included:

- a website with Current Portfolio data, quarterly fact sheets and past trading information;
- interim and annual reports;
- investor presentations, and meetings with Shareholders who wish to meet with the Company at least twice a year;
- site visits and case studies to assist in explaining how a single project is structured and performs financially;
- investor lunches and dinners, being an opportunity to meet the Board and the Infrastructure Investment Team;
- periodic seminars, exploring aspects of the Company's strategy and activities in more depth; and
- broker conferences.

Valuations

The Investment Adviser is responsible for carrying out the fair market valuation of the Group's investments which is presented to the Directors for their approval and adoption. The Directors receive a report and opinion from an independent third party, with considerable expertise in valuing these types of investment, at each valuation date. The valuation is carried out on a six monthly basis as at 31 March and 30 September each year. The valuation principles used in such methodology are based on a discounted cash flow methodology. In circumstances in which an investment is traded, a market quote is used.

This is the same methodology as was used at the time of launch and has been used at each subsequent six month reporting period.

Fair value for each investment is derived from the present value of the investment's expected future cash flows, using reasonable assumptions and forecasts, and an appropriate discount rate. The Investment Adviser exercises its judgement in assessing the expected future cash flows from each investment. Each Portfolio Company produces detailed financial models and the Investment Adviser typically takes, *inter alia*, the following into account in its review of such models and makes amendments where appropriate:

- due diligence findings where current (e.g. a recent acquisition);
- outstanding subscription obligations or other cash flows which are contractually required or assumed in order to generate the returns;
- project performance against milestones;
- opportunities for financial restructuring;

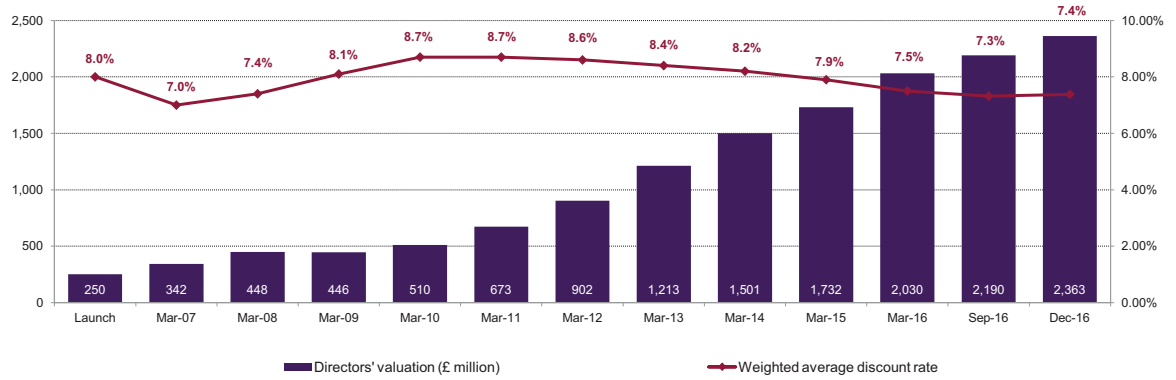
- changes to the economic, legal, taxation or regulatory environment;
- claims or other disputes or contractual uncertainties; and
- changes to revenue and cost assumptions.

In determining the appropriate discount rate to apply to the expected future distributions from each Portfolio Company, the Investment Adviser takes into account the relevant long term government bond yields, the specific risks of each investment (including counterparty risk) and the evidence of recent transactions of which it is aware. The discount rate takes into account risks associated with the financing of a project such as project risks (e.g. liquidity, currency risks, market appetite) and any risks to project earnings (e.g. predictability and covenant of the concession income), all of which may be differentiated by project phase.

The Investment Adviser uses its judgement in arriving at the appropriate discount rate. This is based on its knowledge of the market, taking into account intelligence gained from its bidding activities, discussions with financial advisers in the appropriate market and publicly available information on relevant transactions.

Figure 3: Directors' valuation of the Group's portfolio of investments since 2006

	Launch	Mar-07	Mar-08	Mar-09	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	Mar-15	Mar-16	Sep-16	Dec-16
Directors' valuation (£ million)	£250	£342	£448	£446	£510	£673	£902	£1,213	£1,501	£1,732	£2,030	£2,190	£2,363
Weighted average discount rate	8.0%	7.0%	7.4%	8.1%	8.7%	8.7%	8.6%	8.4%	8.2%	7.9%	7.5%	7.3%	7.4%



The Investment Adviser, on behalf of the Company, calculates the Net Asset Value of an Ordinary Share as at 31 March and 30 September each year and this is reported to Shareholders in the Company's annual report and interim financial statements. All valuations made by the Investment Adviser are made, in part, on valuation information provided by the Portfolio Companies in which the Group has invested. Although the Investment Adviser 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. In addition, the financial reports typically provided by the Portfolio Companies are provided only on a quarterly or half yearly basis and generally are issued one to four months after their respective valuation dates. Consequently, each half yearly Net Asset Value contains information that may be out of date and require updating and completing. Shareholders should bear in mind that the actual Net Asset Values at such time may be materially different from these half yearly valuations.

The Directors do not envisage any circumstances in which valuations will be suspended.

Life of the Company

The Company has been established with an unlimited life.

Issue of Tap Shares

The Company issued 66,727,515 Ordinary Shares by way of tap issue in September 2016 in order to address the Company's then net funding requirements.

Pre-emption rights

In accordance with the requirements of the Listing Rules in relation to companies with a premium listing, the Articles give Existing Shareholders pre-emption rights over any issue of further shares

of a class held by such Existing Shareholders. The pre-emption rights may be disapplied by way of a special resolution of Shareholders.

An Extraordinary General Meeting of the Company has been convened for 20 March 2017 at which, *inter alia*, a special resolution will be put to Shareholders to seek approval for the Issue and for the issue of up to 163,522,013 New Ordinary Shares on a non-pre-emptive basis, being the maximum number of Ordinary Shares that could be issued pursuant to the Issue. Such approval will expire on 31 May 2017 regardless of whether any New Ordinary Shares have been issued before that time and will be limited to the allotment of New Ordinary Shares under the Issue.

The other resolution will, if approved, allow the Directors to allot New Ordinary Shares for cash without first offering them to existing Shareholders on a *pro rata* basis following the Issue. The limit on the number of New Ordinary Shares which may be so allotted will be such number as represents 10 per cent. of the New Ordinary Shares in issue immediately following the completion of the Issue (or, if the Issue does not proceed, the date of the publication by the Company of an announcement to this effect). The power is intended to provide the Company with greater flexibility in funding acquisitions (other than acquisitions funded by the proceeds of the Issue) during the period following the Issue, before Shareholders are next consulted on the disapplication of pre-emption rights at this year's annual general meeting of the Company (expected to be held in July 2017). Accordingly, such power, if approved, will expire on the conclusion of the next annual general meeting of the Company. As in previous years, the Directors intend to seek a renewal of this authority from Shareholders at each annual general meeting of the Company.

Discount control

Purchase of Ordinary Shares by the Company in the market

At the annual general meeting of the Company held on 19 July 2016, a special resolution was passed authorising the Company (subject to the Listing Rules and all other applicable legislation and regulations) to make market purchases of up to 14.99 per cent. *per annum* of its issued Ordinary Shares for the purpose of addressing any imbalance between the supply of and demand for the Ordinary Shares, to assist in minimising any discount to Net Asset Value at which the Ordinary Shares may be trading and to increase the Net Asset Value per Ordinary Share.

As in previous years, the Directors intend to seek a renewal of this authority from Shareholders at each annual general meeting of the Company. Purchases of Ordinary Shares will be made within guidelines established from time to time by the Directors. The timing of any purchases will be decided by the Directors in light of prevailing market conditions. However, such purchases will only be made in accordance with applicable law and the Listing Rules in force from time to time or any successor laws, rules or regulations. The Listing Rules currently provide that where the Company purchases its Ordinary Shares the price to be paid must not be more than 105 per cent. of the average of the market values of the Ordinary Shares for the five Business Days before the purchase is made or, if higher, the higher of the latest independent trade and the highest current independent bid.

Tender offers

Additionally, in order to further minimise the risk of the Ordinary Shares trading at a discount to Net Asset Value and to assist in the narrowing of any discount at which the Ordinary Shares may trade from time to time, the Company may make tender offers from time to time. As such, subject to certain limitations (set out below) and the Directors exercising their discretion to operate the tender offer on any relevant occasion, Shareholders may tender for purchase all or part of their holdings of Ordinary Shares for cash. It is envisaged that the tender offers will be effected such that the tender offer calculation date (the ''Calculation Date'') will be 30 September of the relevant year (or the following Business Day). The price at which Ordinary Shares will be purchased will be the prevailing Net Asset Value per Ordinary Share as at the close of business on the relevant Calculation Date, subject to a discount of 3 per cent. (to cover, *inter alia*, the costs of the tender offer). Tender offers will, for regulatory reasons, not normally be open to Shareholders in Australia, Canada, Japan, South Africa or the United States of America.

Implementation of a tender offer is subject to prior Shareholder approval. Renewal of the repurchase authority will be sought at each annual general meeting. In determining whether to operate a tender offer at any particular time, the Directors will, *inter alia*, take into account whether the Company has sufficient cash available to it at such time.

In order to implement a tender offer, a market maker selected by the Board will, as principal, purchase the Ordinary Shares tendered at the tender price and will sell the relevant Ordinary Shares on to the Company at the same price by way of an on-market transaction unless the Company has agreed with the market maker that the market maker may sell any of the Ordinary Shares in the market. The terms and conditions, and in particular those relating to Excluded Overseas Shareholders, upon which it is intended that each tender offer will be implemented will be sent to Shareholders at the relevant time. The tender offers will be conducted in accordance with the Listing Rules and the rules of the London Stock Exchange.

Investors should note that the operation of the tender offers is entirely discretionary and they should place no expectation or reliance on the Directors exercising such discretion on any one or more occasions in respect of Ordinary Shares or on the number of Ordinary Shares which may be the subject of a tender offer.

Investors should not expect that they will necessarily be able to realise, within a period which they would otherwise regard as reasonable, their investment in the Company, nor can they be certain that they will be able to realise their investment on a basis that necessarily reflects the value of the underlying investments held by the Group.

PART III

INVESTMENT BACKGROUND TO AND OUTLOOK FOR THE INFRASTRUCTURE MARKET

What is infrastructure?

Infrastructure investments are generally defined as investments in assets that provide essential services to society. The assets are typically monopolistic in nature – with high barriers to entry for competition – and, when operational, attract predictable revenues that support long-term, stable cash flows for investors.

The market for infrastructure assets can be categorised into segments based on the type of revenue that the assets attract: PPP; regulated assets; demand-based assets; and corporate (contracted) assets. Investments in each market segment can be further categorised by sector; and between primary (capital growth) and secondary (operational and yielding) assets.

Public-Private Partnerships

PPP/P3 concessions generally concern infrastructure assets that are procured by the public sector in order to support the provision of services to the general public. The typical revenue model is for a Client to make availability payments linked to service performance and availability of the asset for use (e.g. by teachers and pupils at a school). Occasionally, assets in this market segment might attract an element of revenue from other sources, but in these hybrid models availability payments still comprise the bulk of the asset's revenues. Some PPP/P3 concessions may involve payments from Clients that are not availability payments in the strictest sense, but have similar characteristics in terms of their predictability. Sectors in the PPP/P3 market segment include education, healthcare, prisons, court houses, other public sector buildings and transportation assets where the revenue is paid by the procuring Client.

Regulated assets

Regulated assets are generally existing monopolies that deliver an essential service, in many cases with little-to-no demand risk and low sensitivity of revenues and cash flows to the economic cycle. Examples include utilities (e.g. electricity/gas transmission and distribution, water and waste water utilities) and certain transportation assets (e.g. a limited number of airports and certain rail infrastructure). Revenues from regulated assets are typically outputs from a price control framework that is established by a regulator (usually government-appointed). The principal objective of a regulator is to protect the interests of consumers who are receiving an essential service from a monopoly asset owner, while ensuring safe and efficient operation of the regulated assets. Regulators periodically review and approve business plans of regulated assets, seeking to deliver their principal objective while also ensuring that the asset owners are sufficiently incentivised to invest. There are examples of regulated assets with revenue models other than a price control framework, such as OFTOs where the regulated entity is entitled to receive an availability payment in return for operating the transmission infrastructure.

Demand-based assets

Demand-based assets feature revenues that vary with underlying usage of a piece of infrastructure. This market segment can be further divided into those assets that are sensitive to changes in GDP growth (such as tolled road links, heavy and light railways, airports and seaports) and those that are relatively insensitive to changes in GDP (such as student accommodation) but where demand is influenced by other factors. In common with PPP projects, demand-based assets are often structured as concessions and are typically procured by public sector Clients.

Corporate assets

Infrastructure assets may also be developed for the purpose of providing services, or access to essential assets, to corporate counterparties. Examples of these include railway rolling stock, mobile communication towers or energy generation assets (that are not in receipt of subsidies). Corporates may seek to procure infrastructure assets in this way for a variety of reasons: outright

asset ownership may be regarded as an inefficient use of capital; or operation and maintenance of an asset may not be a core activity. The relationship between the infrastructure asset owner and the corporate counterparty is usually contractual, with prices set through a commercial negotiation or a market-clearing price.

Infrastructure Companies

Infrastructure investments are generally made in either Project Companies or Operating Companies:

- Project Companies are formed specifically for the purpose of acting as counterparty to a Client for a concession contract with a defined expiry. These structures are most relevant to PPP projects and demand-based assets (such as toll road concessions and student accommodation projects).
- Operating Companies typically own and operate assets and do not have a defined life. In terms of their structure they are broadly similar to a typical corporate business model. Within the infrastructure market, the Operating Company structure is most relevant to regulated assets, corporate assets and certain demand-based assets.

Project Companies

In concession-based infrastructure projects (such as PPPs and many demand-based assets), a private sector consortium (often comprising a construction company, an operator and financial investors) will form a new Project Company which bids for a concession contract from a procuring Client (typically in the public sector). If successful with its bid, the Project Company is appointed by the Client to be responsible for the financing and construction of an infrastructure asset such as a hospital, school or transport link, and its long-term maintenance and operation in accordance with agreed service standards. The operational services for which the Project Company is responsible are typically low technology, such as cleaning, catering, maintenance, operation and security. Core ''delivery'' services such as teaching or medical care are typically retained by the public sector rather than being provided by the private sector.

Although the Project Company is responsible for the construction of the infrastructure asset, it does not usually have full ownership rights over the asset (some rights being retained by the procuring Client). The Project Company does, however, have various valuable rights under the long-term concession contract including the right to receive the revenue associated with the contract, usually subject to performance of its obligations and/or proper provision of the required services.

At the outset of the project, the Project Company generally subcontracts the majority of its obligations to third parties, often for the duration of the concession. The Project Company seeks to pass on to those third parties the various risks associated with providing the construction and operational services, subject to appropriate liability and indemnity provisions in the contracts. In some instances, the Project Company may perform the operation and maintenance of the asset itself.

The Project Company funds the initial project costs, including the cost of the construction of the infrastructure asset, through a mixture of: (i) long-term senior debt contributed by banks and/or bonds; and (ii) Infrastructure Equity contributed by the financial investors and other consortium members participating in the Project Company. From time to time, the public sector may also provide some of the funding itself or contribute a subsidy to the capital cost.

Senior debt typically constitutes between 70-90 per cent. of a Project Company's initial funding, with the balance being provided by Infrastructure Equity. This level of senior debt is generally available because the Project Company's revenue is payable by public sector (or equivalent bodies with low counterparty risk), or is generated by predictable demand from end users; and because the Project Company has contractually allocated a number of key risks that might affect its income stream to subcontractors who have sufficient financial resources and experience to bear those risks. The senior debt is secured, *inter alia*, on the assets of the Project Company (including the concession contract but generally excluding any land, structures or buildings).

Operating Companies

Infrastructure assets can also be owned and operated by entities that are structured in line with more traditional corporate models. An Operating Company may have been created as part of a privatisation process (e.g. to own and operate regulated assets); as a part of a divestment or spin-

out process from a larger corporate; or be newly-formed for the purpose of owning or acquiring certain infrastructure assets.

Operating Companies own, operate and are responsible for the performance of their infrastructure assets. Where assets are leased to a counterparty, responsibility for operations and maintenance may pass from the Operating Company to the lessee. Where operations and maintenance risk is retained by the Operating Company, it may subcontract certain aspects of these activities, but would also typically perform many operational activities using its own workforce.

Operating Companies are typically funded along more traditional corporate finance models. For example, an Operating Company that owns regulated assets (such as a gas distribution network) may deploy a rolling programme of debt financing of varying maturities. It may seek to hedge inflation-linked revenue, and outperform against financing cost assumptions made in its approved business plan, through a combination of fixed, floating and index-linked borrowings.

In common with Project Companies undertaking concessions, Operating Companies are able to support significant leverage. For owners of regulated assets, debt can constitute 60-90 per cent. of the relevant Operating Company's capital structure, with the balance being provided by Infrastructure Equity. This level of senior debt is generally available because the Operating Company's revenue stream is regarded as reasonably predictable; and its business plans (including cost forecasts) are reviewed and determined as part of the periodic regulatory settlement, which typically includes some risk-sharing. Cash flows from regulated assets are therefore perceived as relatively robust.

Infrastructure revenue streams

Revenues generated by infrastructure assets can be categorised as ''availability'' based, ''demand'' based, ''regulatory'' based or ''contracted'', depending on the nature of the asset:

- ''Availability'' based projects entitle a Project Company to receive regular payments from a Client to the extent that the project asset is ''available'' for use in the manner and to the standard agreed (e.g. it is decorated, functioning, clean and heated). Availability payments are most closely associated with social infrastructure projects, although this payment method is also used on roads, OFTOs, railways and light rail schemes.
- ''Demand'' based assets give a Project Company or Operating Company the right to receive payments correlated to the level of usage of the infrastructure assets. For example, in the case of a toll road concession, payment is in the form of user-paid tolls; and for student accommodation projects payment is in the form of student rents. Revenues may either be received directly from end users or, in some cases, are paid by an intermediary. A Client may act as an intermediary if it wishes to maintain the relationship with the end user or if the revenues are subsidised. In some cases, even though a Project Company's revenues are linked to usage of the asset, end users themselves may not be directly charged.[5]
- ''Regulatory'' based assets entitle an Operating Company to receive payments either from end users or from one or more other regulated entities. In a price control environment, a charging mechanism is set as part of a business plan that is approved by a regulator and typically covers a period of five to seven years. This business plan covers projected operating costs and any capital investment that is required to maintain the infrastructure assets to the necessary standard. Revenues are then calibrated to cover an Operating Company's costs and to offer a return on the value of the regulated assets that compensates both senior debt and equity.
- ''Contracted'' assets entitle an Operating Company to receive regular payments from one or more corporate counterparties in return for the provision of a service or asset. Revenue may take the form of lease payments over a defined period (e.g. five to 10 years), for example space for equipment on a mobile communications tower or the provision of railway rolling stock.

5 Shadow toll road projects are an example of this, where the revenues paid by the Client vary depending on the volume of traffic using the road. The payment regime may include a number of traffic volume bands, with the lowest band attracting the highest tariff rate, and the highest band attracting the lowest (often zero). Traffic usage is measured and payment by the Client may be based on both the number of vehicles in each traffic band and vehicle type. When traffic volumes are in the higher bands (i.e. with the lowest rate), revenue is generally relatively insensitive to changes in demand, in which case revenue characteristics are more similar to availability-based projects.

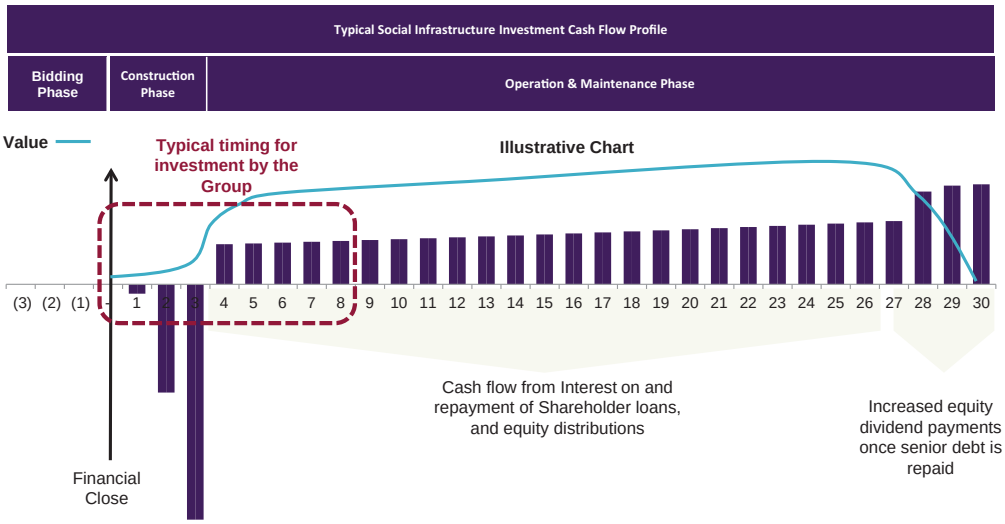
Returns to equity

The profile of equity returns from Infrastructure Equity is influenced by a number of factors, including the asset life, the senior debt financing structure and the nature of the revenues associated with the underlying infrastructure asset.

Project Companies

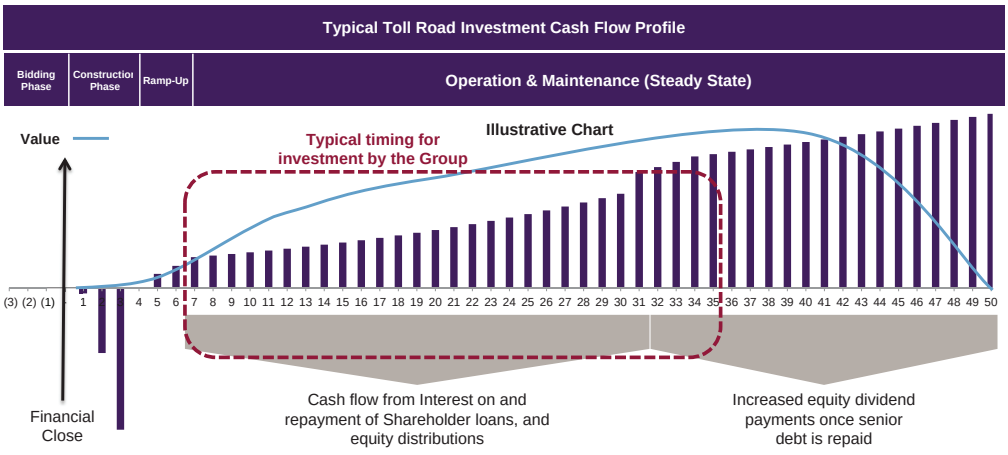
The payments received by a Project Company from its Client or end users are used to remunerate the Infrastructure Equity investment in the Project Company once the senior debt service, operating costs and other expenses of the Project Company have been met.

Figure 4: Illustrative Infrastructure Equity cash flow characteristics of a PPP Project Company (with availability-type income)



Source: Investment Adviser

Figure 5: Illustrative Infrastructure Equity cash flow characteristics of a Project Company (with demand-based income from tolls)



Source: Investment Adviser

As shown in Figures 4 and 5 above, capital in the form of Infrastructure Equity is committed to finance the construction phase of a project. Senior debt tends to be drawn first, and Infrastructure Equity subscription amounts are typically drawn towards the end of the construction phase. Positive investment cash flow or income from an investment in a Project Company is typically received once the project is operational. Income from the investment is received in the form of: (i) interest payments on subordinated debt; (ii) repayment of subordinated debt capital; and (iii) dividend

payments; and (iv) ultimately, repayment of share capital. Part of the "income yield" received by Infrastructure Equity investors typically may therefore comprise a capital repayment.

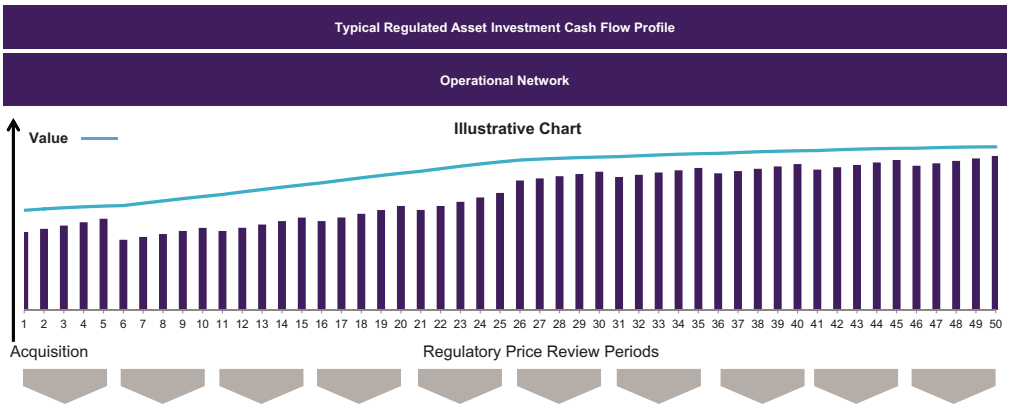
Dividend payments by a Project Company tend to be concentrated later in the project life, especially in the last few years once senior debt is fully repaid. This is illustrated in the increase in the cash flows shown in Figure 4 above. The present value (on a discounted cash flow basis) of these residual cash flows should be significant enough to largely preserve the capital value of the Project Company, until the distribution of these residual cash flows commences.

In the case of demand-based concessions where revenues are projected to grow significantly due to their correlation with GDP growth, Project Company dividend payments tend to start earlier in the project life. These assets, which feature growing income over the long-term (as shown in Figure 5 above), may also produce opportunities for refinancing of senior debt enabling a Project Company to bring forward distributions by generating income from the proceeds of new senior debt financing.

Operating Companies

The payments received by an Operating Company are used to remunerate the Infrastructure Equity investment in the Operating Company once the operating costs, capital investment requirements, senior debt service and other expenses of the Operating Company have been met.

Figure 6: Illustrative Infrastructure Equity cash flow characteristics of an Operating Company, with regulated income that is subject to periodic reviews



Source: Investment Adviser

As shown in the above charts, Infrastructure Equity is typically invested in an Operating Company as part of a secondary market purchase. In the example of an Operating Company that owns a regulated asset (subject to price controls), investors generally receive a steady stream of income. This is typically received in the form of: (i) interest payments on shareholder loans; and (ii) dividend payments. In the long-term this income is expected to be broadly stable, although over shorter horizons it may experience some variation following regulatory reviews.

Inflation protection characteristics

Returns on Infrastructure Equity tend to vary as inflation rates vary. In calculating the expected future cash flows of the Current Portfolio, long-term inflation rates need to be assumed for each investment. The Group's current assumptions as at 31 December 2016 are set out in the section headed "*Directors' valuation of the Group's portfolio as at 31 December 2016*" in Part IV of this Prospectus.

To assist investors, the Investment Adviser has produced in the Company's results a sensitivity analysis on how the valuation of the portfolio varies with changing key economic assumptions (see the Interim Results of the Company to 30 September 2016, incorporated by reference in Part IX of this Prospectus and available on the Company's website *www.hicl.com*). In the case of inflation, an increase or decrease of 1 per cent. over or under the assumed annual rate (for each and every year to the end of each project's concession) would result in a change in the Directors' valuation of the Company's portfolio as at 31 December 2016 of approximately an 8.4 per cent. increase or 7.5 per cent. decrease respectively.

This impact on Infrastructure Equity returns is the result of the net effect of inflation on the revenues and the costs of Portfolio Companies. In the case of PPP projects, the principal component of the Current Portfolio, the revenues and components of the cost base of Project Companies will typically be fixed in real terms under long-term contracts and then increased over time with reference to specific inflation indices. At the outset these arrangements are structured so as to achieve, as far as possible within other constraints, a matching of the indexation of the revenue with the indexation of the cost base so as to provide a measure of protection of the real Infrastructure Equity returns against movements in inflation.

The sensitivity of Infrastructure Equity returns to inflation varies between assets but, generally, lower rates of inflation than assumed in the base case will lead to lower nominal returns. Conversely, higher rates of inflation will lead to increased nominal returns, although this may only occur over the longer term. This is because in some assets, particularly PPP projects funded by index-linked bonds, the near term impact of higher inflation can reduce distributable profits[6] available to pay dividends out of the additional cash generated by the incremental inflation. The full benefit of inflation on returns on an investment may therefore be deferred until sufficient distributable reserves are available in that investment.

Relatively low risk associated with cash flows from mature Infrastructure Equity investments

Subject to the relevant risk factors identified in the section of this Prospectus entitled ''Risk Factors'', the cash flows from Infrastructure Equity investments in assets that have completed their construction phases and are operational are usually relatively predictable.

For assets with ''availability'' based income streams (such as PPP projects), provided that pre-determined contractual standards are met, the Project Company is entitled to receive a pre-determined and usually inflation-linked revenue stream, thereby giving significant protection from economic cycles and competitive pressures.

In the case of ''regulatory'' based assets that fall within a price control framework, income streams are principally exposed to regulatory determinations, which introduce periodic uncertainty (typically every five to seven years) but provide stability between such determinations. The nature of the regulatory model is such that Operating Companies that own regulated assets are also insulated from economic cycles and competitive pressures.

For ''demand'' based asset, income streams are inherently less certain than availability-based income due to volatility in, for example, traffic volumes. Those assets that feature a reasonably high correlation to GDP growth generally carry greater risk than PPP projects or regulated assets. This risk is mitigated by typical infrastructure characteristics – the provision of an essential service on a monopoly-basis – that support long-term revenues. This is particularly the case for operating assets with a proven track record of demand where rigorous research and modelling should enable income streams to be predicted with a reasonable degree of accuracy.

Certainty of operating and capital costs is also important in being able to forecast Infrastructure Equity returns. In the case of PPP projects, the majority of the costs associated with a project are contractually pre-determined at its outset. This includes the debt funding which is normally secured for the majority of the concession, so that projects rarely require refinancing to meet their base case investment objectives. Demand-based assets might also feature contracted operating costs and long-term financing arrangements. The price control model affords Operating Companies material mitigation in relation to the cost incurred through ownership of regulated assets. Regulatory settlements will typically make allowances for the recovery of operating costs, remuneration of necessary capital expenditure and protection from market-wide changes in financing costs.

Background to the infrastructure market

The UK has been one of the countries at the forefront of the use of private sector capital in the construction and operation of essential infrastructure assets. In 1992, the Conservative Government launched the Private Financial Initiative in an attempt to increase the involvement of the private sector in the procurement of public infrastructure assets and avoid poorly conceived projects, cost overruns and delays. After a slow start, the policy gained momentum from 1995 onwards. It was adopted and developed from 1997 by the Labour Government, and under the PPP umbrella

6 The outstanding principal amount of index-linked bonds is adjusted for movements in the relevant inflation index. The amount of the adjustment is taken through the profit and loss statement of the Project Company as a finance cost.

became an established method of UK procurement for social and transportation infrastructure. In the UK, according to a recent report from HM Treasury, there were, as at 31 March 2016, over 700 PPP projects in the UK, with a capital value of over £59 billion[7].

Having been developed on a large-scale in the UK, private sector investment in infrastructure was pursued by a number of countries around the world. Amongst others, agencies in various European countries, Canada, Australia and, to an extent, the USA have procured PPP and other, demand-based concessions.

Private ownership of regulated assets has a longer track record globally than PPPs. The market continues to evolve and the UK has been of one of the frontrunners in the movement of regulated assets from public ownership into the private sector. This began with the privatisations of state-owned utilities in the gas (1986), water (1989) and electricity (1990, 1991, 1995) sectors. In the UK, the following assets are now owned almost entirely by private sector investors (including specialist infrastructure investors): water treatment and distribution; waste-water gathering and treatment; electricity transmission and distribution; and gas and electricity transmission and distribution.

Market Outlook

The market in infrastructure investments is generally divided into a primary market and a secondary market. The primary market typically involves an investment in a Project Company made at the outset of a PPP project and normally entails the investor providing new equity funds that contribute to the financing of the project's construction. The secondary market typically involves the transfer of an investment in an existing Project Company or Operating Company to a new investor. In most cases a secondary market transaction involves either: (i) a Project Company that has completed, or nearly completed, the construction phase of its concession and which will often have begun to undertake operation and maintenance of an asset; or (ii) an Operating Company that is an owner and operator of existing assets (such as regulated assets).

Investments in mature infrastructure assets are traded between investors (including specialist investment funds) either as single investments or aggregated into portfolios. These developments have helped to create a more liquid market in infrastructure investments.

Global trends

In the OECD, population growth and increasing urbanisation are pressing the need for better transport solutions in road and rail sectors; an ageing and wealthier population needs more and improved social infrastructure; and an increased awareness of the social and environmental impact of infrastructure is supporting the need to upgrade existing infrastructure.

Globally, McKinsey[8] has calculated that the world needs to invest an average of USD 3.3 trillion a year on infrastructure by 2030, up from the current rate of USD 2.5 trillion a year, just to keep up with economic growth. McKinsey states that of this, 40%, or approximately USD 1.3 trillion per annum, needs to be invested in developed economies with material infrastructure investment gaps existing in a number of geographies, such as the US, the UK and Germany[9].

United Kingdom

In December 2016, the Infrastructure & Projects Authority published a National Infrastructure and Construction Pipeline (the ''UK Pipeline''), updating the National Infrastructure Pipeline that was published in 2015. The investment pipeline for the period 2016/17 to 2020/21 is identified as £300bn[10], of which just over half is expected to be financed by the private sector with 60% of that investment being made in regulated sectors. The Group expects the UK to see significant deal flow in the regulated asset market segment in the near term, in relation to Operating Companies with price controls and also OFTOs where the fourth and fifth tender rounds are underway.

7 Private Finance Initiative and Private Finance 2 projects: 2016 summary data, HM Treasury, December 2016

8 Bridging Global Infrastructure Gaps, McKinsey Global Institute, June 2016

9 Infrastructure investment gap defined as an estimate of annual need 2016 – 2030 vs. actual annual investment 2008 – 2013, expressed as a percentage of GDP per annum: US 0.7 per cent.; UK 0.4 per cent.; Germany 0.4 per cent.

10 National Infrastructure & Construction Pipeline: Analysis, Infrastructure & Projects Authority, December 2016

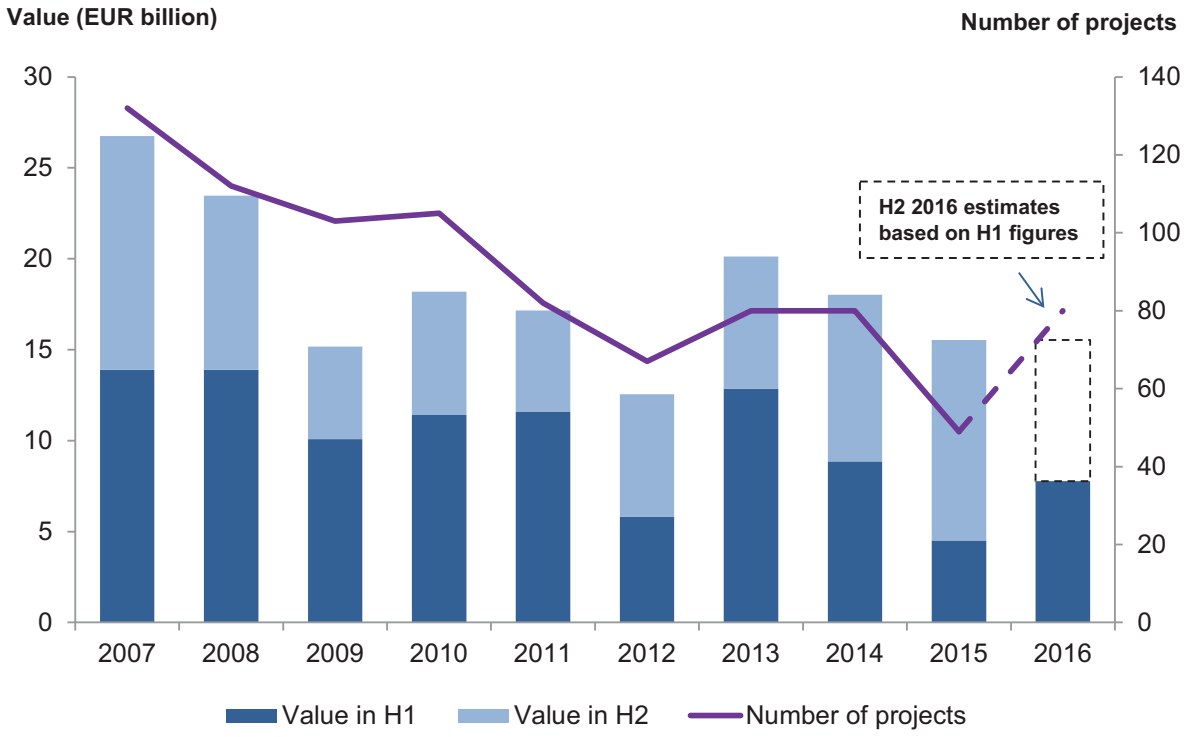
Although most of the private sector investment in the UK Pipeline relates to energy and regulated assets, there remains a need for new investment in sectors such as education, social housing and roads. In the Autumn Statement, HM Treasury stated that a new pipeline of PPP projects (procured using the Government's 'PF2' framework) would be announced in early 2017[11].

It is therefore clear that infrastructure investment remains a Government priority, and that private sector capital will play a key role in funding public infrastructure. However, in recent years, the UK Government has been under pressure to address the significant debt burden of the UK which has led to a significant reduction in the rate of new PPP projects in particular. While the forthcoming PPP pipeline may reverse this trend, it remains to be seen whether this will amount to a material increase in procurement activity in the near term.

Europe

In Europe, the total value of PPP and toll road projects that have reached financial close since 2007 is approximately €174 billion. As Figure 6 below shows, the volume of projects signed in the period from 2007 to 2016 (including an estimate of activity in the second half of 2016) was on average above €17 billion per annum.

Figure 7: European PPP Market 2007-2016 by Value and Number of Projects since 2007



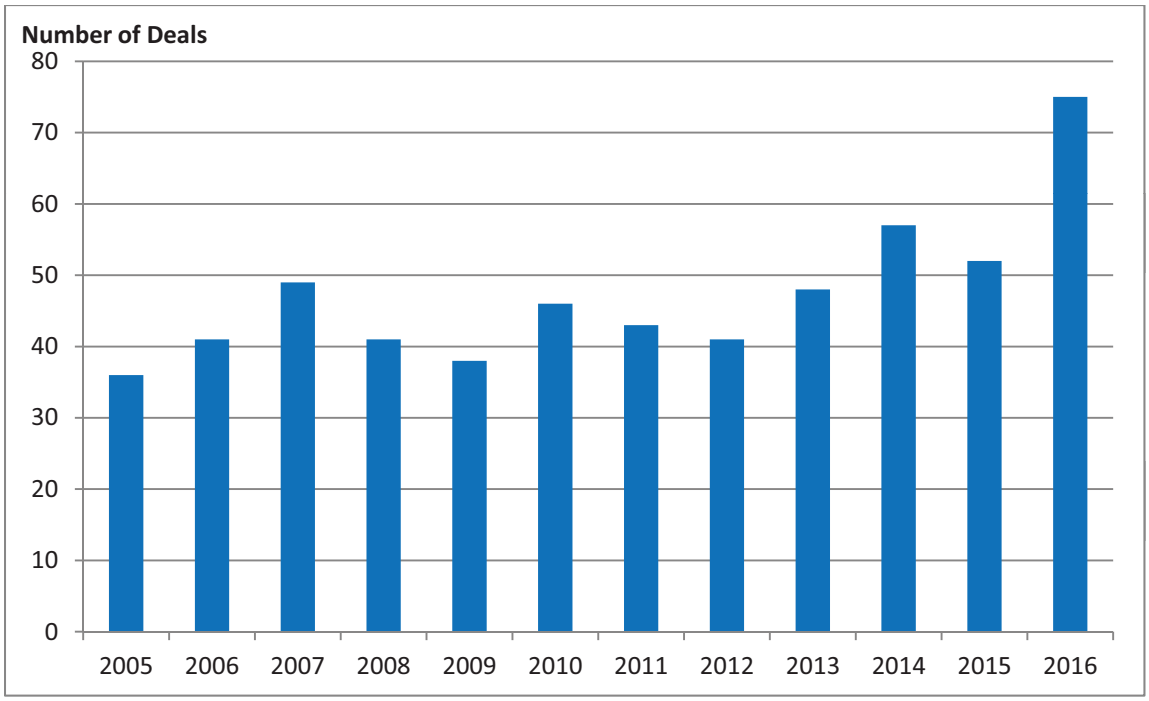
Source: Market Update: Review of the European PPP Market, European PPP Expertise Centre, October 2016

Although the volume of PPP projects has declined in recent years, there remains a reasonable level of activity. As projects complete their construction phases and become operational, this will create further potential acquisition opportunities for the Group.

11 The Autumn Statement 2016 (section 3.27), HM Treasury, November 2016

In addition to PPP projects, the Company expects to see continued opportunities to invest in regulated assets. According to data published by Mergermarket Limited, European deal activity in the utilities sector has been sustained in recent years (see Figure 8 below). This is expected to continue, driven in part by the need for some unlisted infrastructure funds to make divestments as they near the end of their fund lives.

Figure 8: Number of M&A transactions in the Utilities sector in Europe, 2005 – 2017



Source: data from Mergermarket online database screened by region (Europe) and sector (Utilities), 13 February 2017, published by Mergermarket Limited

North America

The US market exemplifies the deficit in infrastructure spending that exists in the OECD: despite the political attention given to infrastructure investment at Federal level, the country is still far from addressing its infrastructure deficit. The American Society of Civil Engineers projected in May 2016[12] a US$1.44 trillion investment funding gap between 2016 and 2025, with the largest part of it (US$1.1 trillion) being needed in surface transportation.

The adoption of the PPP model by procurement agencies in the US has been slow and orientated towards demand-based assets such as toll roads. As a result, there are few investment opportunities for the Group in operational PPP projects. It remains to be seen whether the renewed profile being given to infrastructure investment (and the potential role for the private sector in funding this) during and since the recent presidential election will translate into PPP pipeline activity. If there is progress, then the Group would expect to see primary market activity in addition to further opportunities in demand-based assets.

In Canada, there has been a consistent level of PPP procurement across social infrastructure sectors and transportation for a number of years. According to the Canadian Council for Public-Private Partnerships, 249 projects have been procured with a capital value of approximately CAD119 billion[13]. Primary market activity continues although currently at a slightly reduced rate. The Group continues to seek appropriate opportunities in the Canadian primary and secondary markets, while noting that competition from domestic investors is fierce.

12 Failure to Act: Closing the Infrastructure Investment Gap for America's Economic Future – May 2016
13 *www.pppcouncil.ca* home page and Knowledge Centre, January 2016

Australia

The Australian market is similar to Canada in that it has a long history of using PPP procurements to invest in public infrastructure. The Australia Infrastructure Plan, published in February 2015, identified a list of priority projects for the next 15 years[14]; however at state and territory level political support for PPP procurement has cooled and this has been reflected in a slow-down in new primary market activity. However, there has been some significant activity in other market segments, for example the partial privatisation of electricity networks in New South Wales. While the Company expects infrastructure investment activity to continue, competition from domestic investors is intense across all market segments.

The Company, in consultation with the Investment Adviser, believes that the market in infrastructure investments is continuing to grow and will provide a suitable background against which the Group will be able to make new investments within its target sectors in the future as well as generate returns from the Current Portfolio.

14 Australian Infrastructure Plan: The Infrastructure Priority List, Infrastructure Australia, February 2016

PART IV

THE CURRENT PORTFOLIO

The Current Portfolio

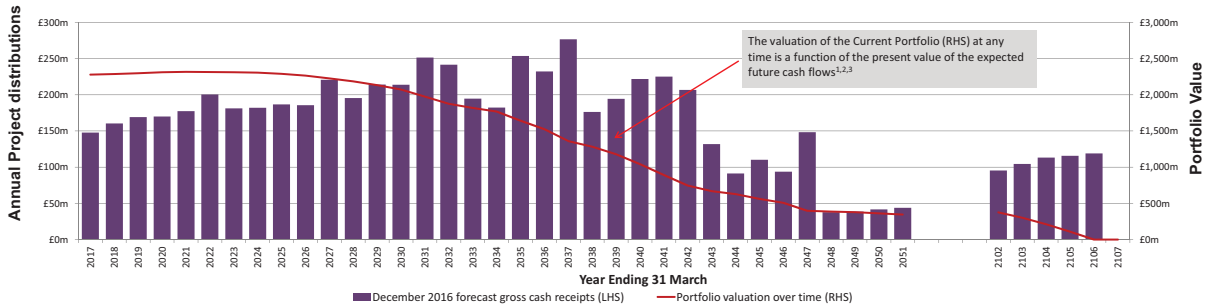
The Current Portfolio consists of Infrastructure Equity in 114 Portfolio Companies in the PPP and demand-based market segments. It includes investments in PPP projects in sectors including accommodation, education, health, fire, law and order and transportation. The Current Portfolio comprises of four demand-based assets, including the Committed Investment.

97 investments are in Portfolio Companies located in the UK, four located in Ireland, four located in the Netherlands, four located in France, one located in Australia, three located in Canada, and one located in the USA.

As at 31 December 2016, the weighted average project concession length remaining in the Current Portfolio was 24.8 years.[15]

The majority of projects in the Current Portfolio have completed their main construction phases and are fully operational. As at the date of this Prospectus, there were five projects with construction ongoing (being 2% of the Current Portfolio by value).

Figure 9: Illustration[1] of expected future cash flows to be received by the Group from the Current Portfolio



Source: Investment Adviser

1. The illustration represents a target only and is not a profit forecast. There can be no assurance that this target will be met.
2. The illustration assumes a Euro to Sterling exchange rate of 0.85, a Canadian dollar to Sterling exchange rate of 0.60, a US dollar to Sterling exchange rate of 0.81, an Australian dollar to Sterling exchange rate of 0.59 and a weighted average discount rate of 7.4 per cent. per annum. These and the value of the Group's portfolio may vary over time.
3. The valuation is of the Current Portfolio of 114 investments (including the Committed Investment but excluding any Additional Investment) and does not include other assets or liabilities of the Group, and assumes that during the period illustrated above, (i) no new investments are purchased, (ii) no existing investments are sold and (iii) the Group suffers no material liability to withholding taxes, or taxation on income or gains.

Figure 9 above shows the aggregate anticipated cash flows from the Current Portfolio, which comprise: interest payments on debt and subordinated debt; repayment of debt and subordinated debt; dividend payments; redemption of share capital; and fees (including directors' fees) paid by Project Companies to the Group.

Future cash flow

It should be noted that Figure 9 above is an illustration. In practice, there are risks associated with the cash flows depicted above, and prospective investors should refer to the section entitled "Risk Factors" of this Prospectus. However, there are also circumstances under which investment performance may exceed the level depicted above, and in particular where the Group may be able to increase the level of cash flow achieved from its Current Portfolio investments via, *inter alia*, enhancements to the value of its investments (see the section headed "Investment Policy" in Part II

15 On the assumption that the Client break options are exercised in relation to the Bishop Auckland Hospital and Helicopter Training Facility projects.

of this Prospectus), and the making of new investments to increase and extend the Group's future cash flows.

Interests comprising the Current Portfolio

A breakdown of the interests in each investment comprising the 40 largest investments by value as at the date of this Prospectus (calculated using the Directors' valuation as at 31 December 2016), is set out below.

Figure 10: Breakdown of interests comprising the ten largest investments by value, in the Current Portfolio by Project Company

Current Portfolio – ten largest investments			
	Group Holdings		Valuation[16]
Project	Equity	Subdebt	Percentage of Total
A13 Road[17]	n/a	n/a	2%
A63 Motorway[18]	13.8%	13.8%	4%
Allenby & Connaught	12.5%	12.5%	3%
AquaSure Desalination PPP project	9.7%	n/a	3%
Dutch High Speed Rail Link	43.0%[19]	43.0%	4%
Home Office Headquarters	100.0%[20]	100.0%	5%
Northwest Parkway[21]	33.3%	n/a	6%
Pinderfields & Pontefract Hospitals	100.0%	100.0%	5%
Queen Alexandra Hospital	100.0%	100.0%	3%
Southmead Hospital	62.5%	62.5%	5%
Sub total			**40%**

Further details about the ten largest investments in the Current Portfolio are set out in Figure 11 below.

16 Valuation based on the Directors' valuation (unaudited) as at 31 December 2016.

17 The investment in the A13 Road is by way of senior secured indexed-linked bonds.

18 The contract to acquire this investment was signed in January 2016, the investment is included in the 31 December 2016 Directors' valuation, and the investment was successfully acquired in January 2017.

19 The Group retains the beneficial interest in the shares of the Project Company but the legal title is held by the project security trustee.

20 This is a rounded-up figure as a subsidiary of the Bouygues group has retained one share.

21 The contract to acquire this investment was signed in December 2016, the investment is included in the 31 December 2016 Directors' valuation, and the investment is expected to be successfully acquired in March 2017.

Figure 11: Further details on Project Companies in which the Group has the ten largest investments by value, in the Current Portfolio

Project in which the Group holds an investment	Short description of concession arrangements	End date	Number of years	Project Capital Cost	Key sub-contractors
A13 Road	Design, build, finance and operate a 20km section of the A13 road between Butcher Row, Limehouse, London and Wennington, Essex.	2030	30	£220m	n/a
A63 Motorway	Design, build, finance, operate and maintain an upgrade to the A63 highway between Salles and Saint Geours de Maremne in France	2051	40	€1,130m	Egis
Allenby & Connaught	Design, build and finance new and refurbished MoD accommodation across four garrisons on Salisbury Plain and in Aldershot, comprising working, leisure and living quarters as well as ancillary buildings	2041	35	£1,557m	Carillion KBR
AquaSure Desalination PPP project	Design, build, finance and operate a 150GL/year desalination plant and associated infrastructure.	2039	30	A$3,512m	SUEZ Environmental
Dutch High Speed Rail Link	Design, construct, finance, operate and maintain power, track and signalling for the high speed railway between Schiphol Airport and Belgian border in the Netherlands	2026	25	€890m	Fluor Royal BAM Siemens
Home Office Headquarters	Build, finance, operate and maintain a new headquarters building to replace the Home Office's existing London office accommodation with purpose-built serviced offices	2031	29	£200m	Bouygues Energies & Services
Northwest Parkway[22]	Operate, manage, maintain, rehabilitate and toll a 14km four-lane road under an agreement with the Northwest Parkway Public Highway Authority	2106	99	N/A[23]	E-470
Pinderfields & Pontefract Hospitals	Design, construct, manage, finance and operate a new 708 bed acute hospital in Pinderfield, West Yorks and a new diagnostic and treatment hospital in Pontefract for the Mid Yorkshire NHS Trust	2042	35	£311m	Cofely
Queen Alexandra Hospital	Design and construct a new hospital and retained estates work in Portsmouth	2040	35	£255m	Carillion
Southmead Hospital	Design, construct, finance, operate and maintain an 800-bed acute hospital on a single site at Southmead in North Bristol, on behalf of the North Bristol NHS Trust	2045	35	£431m	Carillion

22 The contract to acquire this investment was signed in December 2016, the investment is included in the 31 December 2016 Directors' valuation, and the investment is expected to be successfully acquired in March 2017.

23 The asset was constructed prior to the commencement of the concession and lease agreement.

Figure 12: Breakdown of interests comprising the next 30 largest investments by value[24], in the Current Portfolio by Project Company

Current Portfolio – next 30 largest investments		
	Group Holdings	
Project	**Equity**	**Subdebt**
Barnet Hospital	100.0%[25]	100.0%
Birmingham & Solihull LIFT	60.0%	60.0%
Birmingham Hospital	30.0%	30.0%
Blackburn Hospital	100.0%	100.0%
Bradford Schools BSF (Phase II)	34.0%	34.0%
Central Middlesex Hospital	100.0%[26]	100.0%
Connect PFI	33.5%	33.5%
Edinburgh Schools	100.0%	100.0%
Enniskillen Hospital	39.0%	39.0%
GMPA Police Stations	72.9%	72.9%
Health and Safety Laboratory	80.0%	90.0%
Highland Schools PPP	100.0%	100.0%
Lewisham Hospital	100.0%	100.0%
M80 DBFO Road	50.0%	50.0%
MPA SEL Police Stations	50.0%	50.0%
North West Anthony Henday Road	50.0%	50.0%
Northwood MoD HQ	50.0%	50.0%
Oxford John Radcliffe Hospital	100.0%	100.0%
Perth and Kinross Schools	100.0%	100.0%
Romford Hospital	66.6%	66.6%
Royal Canadian Mounted Police	100.0%	n/a
Royal School of Military Engineering	26.0%	32.1%
Salford Hospital	50.0%	50.0%
Sheffield Student Accommodation	50.0%	50.0%
South Ayrshire Schools	100.0%[27]	100.0%
Stoke Mandeville Hospital	100.0%	100.0%
Tameside Hospital	50.0%	50.0%
West Lothian Schools	75.0%	75.0%
West Middlesex Hospital	100.0%[28]	100.0%
Zaanstad Prison	100.0%	100.0%

24 Based on the Directors' valuation (unaudited) as at 31 December 2016.
25 This is a rounded-up figure as a subsidiary of the Bouygues group has retained one share.
26 This is a rounded-up figure as a subsidiary of the Bouygues group has retained one share.
27 The Group retains the beneficial interest in the shares of the Project Company but the legal title is held by the project security trustee.
28 This is a rounded-up figure as a subsidiary of the Bouygues group has retained one share.

Figure 13: Current Portfolio valuation summary as at 31 December 2016

Current Portfolio – valuation summary as at 31 December 2016	
	Valuation[29] (£m)
	Percentage of Total
Sub-total – 10 largest investments (from Figure 10)	**40%**
Sub-total – next 30 investments	**36%**
Remaining 74 investments	**24%**
Total – Directors' Valuation[30]	**£2,363.1 million**

For details of how the Company values the Current Portfolio see the section entitled "Valuations" in Part II of this Prospectus.

Outstanding investment obligations

As at the date of this Prospectus, there were outstanding investment obligations in relation to seven investments (including the Committed Investment) totalling circa £167 million and a contingent commitment to acquire an additional investment in a Project Company of €16.8 million. These obligations will be met out of the net proceeds of the Issue and/or borrowings.

Directors' valuation of the Group's portfolio as at 31 December 2016

The Directors have agreed a valuation of the Group's 114 investments (including the Committed Investment and the A63 Motorway[31]) as at 31 December 2016 of £2.36 billion, and this was announced in the Company's Interim Update Statement published on 2 February 2017. This valuation was performed in order to publish an unaudited NAV per Ordinary Share on an investment basis as at 31 December 2016 of 147.4 pence and so as to give guidance on how the NAV per Ordinary Share had moved in the three months to 31 December 2016.

The weighted average discount rate was 7.4 per cent. and an analysis of the weighted average discount rates for the portfolio analysed by territory is shown in Figure 14 below:

Figure 14: analysis of the weighted average discount rates of the portfolio by territory

	31 December 2016				
Country	Appropriate long-dated government bond yield	Risk premium	Discount rate	30 Sept 2016	31 March 2016
UK	1.8%	5.5%	7.3%	7.3%	7.5%
Australia	3.0%	4.3%	7.3%	7.3%	7.9%
Eurozone	1.2%[32]	6.4%	7.6%	7.8%	7.8%
N. America	2.8%	5.4%	8.2%	7.0%	7.1%
Portfolio	**1.9%**	**5.5%**	**7.4%**	**7.3%**	**7.5%**

29 Valuation based on the Directors' valuation (unaudited) as at 31 December 2016.
30 Valuation based on the Directors' valuation (unaudited) as at 31 December 2016.
31 The contract to acquire the A63 Motorway was signed in January 2016 and the acquisition completed in January 2017. It is included in the 31 December 2016 Directors' valuation.
32 The long-term government bond yield for the Eurozone is the weighted average discount rate for all of the countries in which the portfolio is invested (namely France, Holland and Ireland).

The key assumptions used to derive the 31 December 2016 valuation are set out in Figure 15 below:

Figure 15: Key assumptions used to derive 31 December 2016 valuation

		31 Dec 2016	30 Sept 2016	31 March 2016
Inflation	UK (RPI & RPIx)	2.75% p.a.	2.75% p.a.	2.75% p.a.
	Eurozone (CPI)	1.0% p.a. until 2019, 2.0% p.a. thereafter	1.0% p.a. until 2018, 2.0% p.a. thereafter	1.0% p.a. until 2018, 2.0% p.a. thereafter
	Canada (CPI)	2.0% p.a.	2.0% p.a.	2.0% p.a.
	Australia (CPI)	2.5% p.a.	2.5% p.a.	2.5% p.a.
	USA (CPI)	2.0% p.a.	n/a	n/a
Deposit Rates	UK	1.0% p.a. to March 2021, 2.0% p.a. thereafter	1.0% p.a. to March 2020, 2.0% p.a. thereafter	1.0% p.a. to March 2020, 2.5% p.a. thereafter
	Eurozone	1.0% to 2021, then 2.0% p.a. thereafter	1.0% to March 2020, then 2.0% p.a. thereafter	1.0% p.a. to March 2020, 2.5% p.a. thereafter
	Canada	1.0% to 2021, then 2.0% p.a. thereafter	1.0% to March 2020, then 2.0% p.a. thereafter	1.0% p.a. to March 2020, 2.5% p.a. thereafter
	Australia	2.6% p.a. with a gradual increase to 3.0% long-term	2.6% p.a. with a gradual increase to 3.0% long-term	2.6% p.a. with a gradual increase to 3.0% long-term
	USA	1.0% to 2021, then 2.0% p.a., thereafter	n/a	n/a
Foreign Exchange rates	CAD / GBP EUR / GBP AUD /GBP USD/GBP	0.60 0.85 0.59 0.81	0.59 0.87 0.59 n/a	0.54 0.79 0.53 n/a
Corporate Tax rates	UK (ex Northern Ireland)	20% to March 2017, 19% to March 2020, 17% thereafter	20% to March 2017, 19% to March 2020, 18% thereafter	20% to March 2017, 19% to March 2020, 18% thereafter
	Northern Ireland	20% to March 2017, 12.5% thereafter	20% to March 2017, 19% to March 2020, 18% thereafter	20% to March 2017, 19% to March 2020, 18% thereafter
	Eurozone	Various (no change except France)	Various (no change)	Various (no change)
	France	28%	33%	33%
	Canada	26%/27% (territory dependant)	26%/27% (territory dependant)	26%/27% (territory dependant)
	Australia	30%	30%	30%
	USA	35% Federal + 4.6% Colorado State	n/a	n/a

As with previous Directors' valuations of the Group's portfolio, the sensitivity of the valuation to the key assumptions of discount rate, inflation and bank deposit rates were also calculated and these are set out in Figures 16 to 19 below in the same format and on the same basis as used in the interim and annual results presentations of the Company (available from the Company's website, *www.hicl.com*).

Figure 16: Sensitivity to changing the discount rate

Sensitivity to changing the discount rate		
	Directors' valuation at 31 December 2016	NAV per Ordinary Share
Valuation	£2.36 billion	147.4p
	Change	**Implied NAV per share movement**
+0.5% increase	-£112.2 million	-7.7p
-0.5% decrease	+£122.6 million	+8.4p

Figure 17: Sensitivity to changing the long term annual inflation assumptions

Sensitivity to changing the long-term annual inflation assumption[33]		
	Directors' valuation at 31 December 2016	NAV per Ordinary Share
Valuation	£2.36 billion	147.4p
	Change	**Implied NAV per share movement**
+0.5% increase p.a.	+£98.9 million	+6.8p
-0.5% decrease p.a.	-£88.6 million	-6.1p

Figure 18: Sensitivity to changing the annual bank deposit rate

Sensitivity to changing the annual bank deposit rate[34]		
	Directors' valuation at 31 December 2016	NAV per Ordinary Share
Valuation	£2.36 billion	147.4p
	Change	**Implied NAV per share movement**
+0.5% increase	+£27.6 million	+1.9p
-0.5% decrease	-£28.6 million	-2.0p

33 Analysis based on the 25 largest investments, suitably pro-rated to represent the effect on the Current Portfolio.
34 Analysis based on the 25 largest investments, suitably pro-rated to represent the effect on the Current Portfolio.

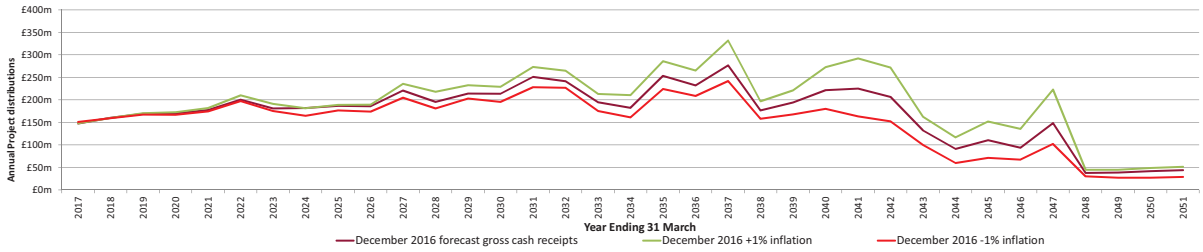
Figure 19: Sensitivity to changing foreign exchange rates

Sensitivity to changing foreign exchange rates[35]		
	Directors' valuation at 31 December 2016	NAV per Ordinary Share
Valuation	£2.36 billion	147.4p
	Change	**Implied NAV per share movement**
+5% change	+£14.9 million	+0.3p
-5% change	-£14.9 million	-0.3p

As can be seen from Figure 17 above, the value of the Current Portfolio is positively correlated to inflation in that a higher annual inflation rate above the 31 December Directors' valuation assumptions (as set out in Figure 15 above) increases the value of the Current Portfolio due to higher investment income received from the Current Portfolio.

This can be seen in Figure 20 below, which shows the December 2016 forecast gross cash receipts from the Current Portfolio (the same as the vertical bars in Figure 9). If inflation were to be 1.0 per cent. *per annum* higher than the assumptions in Figure 15 or 1.0 per cent. *per annum* lower, the expected forecast cash flows are plotted in Figure 20.

Figure 20: Forecast future gross cash receipts from the Current Portfolio[36] showing the forecast effect if inflation is +1.0 per cent. per annum higher or -1.0 per cent. per annum lower than the base assumptions set out in Figure 9 above



Portfolio analysis

The pie charts set out in Figure 21 below show how the portfolio has developed since 31 March 2016 in terms of sector split, projects still in construction, geographic location and concession lengths remaining. This analysis is of the Current Portfolio, using the Directors' valuation of the Group's portfolio of the Company as at 31 December 2016 (which includes the A63 Motorway investment and the Committed Investment and no further investments have been made between 31 December 2016 and the date of this Prospectus), 30 September 2016 and 31 March 2016.

35 Foreign exchange rates sensitivity on NAV per Ordinary Share is net of current Group hedging.

36 Analysis based on the 25 largest investments, suitably pro-rated to represent the effect on the Current Portfolio. This is illustrative to show the likely effect and there can be no assurance that these potential cashflows will be met.

Figure 21: portfolio development since 31 March 2016

37 Based on the Directors' valuation as at 31 December 2016 of the Current Portfolio.
38 Based on the Directors' valuation as at 30 September 2016 of the portfolio of 112 investments as at that date.
39 Based on the Directors' valuation as at 31 March 2016 of the portfolio of 104 investments as at that date.

Sector analysis

The main change in the quarter from 30 September 2016 to 31 December 2016 is the increase in the transport sector from 17 per cent. to 23 per cent., resulting from the signing of the conditional contract to acquire the investment in the Northwest Parkway toll road.

Investment status analysis

The value of investments under construction, as a percentage of the Directors' valuation of the portfolio, has remained broadly the same since 31 March 2016. With the contract to acquire the investment in the Northwest Parkway toll road, the percentage by value of investments where underlying revenues are linked to usage (demand-based assets, as further described in Part III of this Prospectus) has increased from six per cent. at 30 September 2016 to 12 per cent. at 31 December 2016.

Geographic analysis

Since 31 March 2016, the percentage of the portfolio by value of investments in Portfolio Companies located outside the UK has increased from 16 per cent. to 23 per cent., predominantly due to the contract to acquire the investment in the Northwest Parkway toll road (US), the acquisition of a further investment in Zaanstad and the new investment in the A9 Road (both in the Netherlands), as announced by the Company on 5 January 2017.

Investments to be acquired: Committed Investment

On 2 December 2016, the Company announced that it had reached an agreement to acquire a 33⅓ per cent. equity interest in the Northwest Parkway, a toll toad located in the Denver metropolitan area of Colorado, US. The Group is part of a consortium which has agreed to acquire a 100 per cent. equity interest in the Northwest Parkway Project Company.

Northwest Parkway is a 99 year concession, signed in 2007, to operate and maintain a 14km section of the beltway system extending around Denver. The road has approximately nine years of traffic history; it was opened in 2003 and connects with several toll and non-toll highways, including E-470, I-25, U.S. 36 and U.S. 287, providing convenient access to residential and commercial centres in the region. Revenues are generated by tolls through an all-electric tolling system. The counterparty to the concession is the Northwest Parkway Public Highway Authority.

Completion is subject to a limited number of conditions and is expected in March 2017. The Group's share of the consideration is approximately US$166 million.

Investments to be acquired: Additional Investments

At the date of this Prospectus, the Group has identified a number of Additional Investments with an aggregate value of approximately £50 million. However, there can be no assurance that any or all of these Additional Investments will be made.

If the net proceeds of the Issue after the repayment of Group Debt are not sufficient to fund Additional Investments, the Group may make such Additional Investments where the Group Debt outstanding after such acquisition or acquisitions would be at a level that the Board considers prudent having regard to the terms of the Facility.

Further investment to be acquired

In addition, the Group has an additional contingent commitment of €16.8 million to acquire a further 32% equity and loan interest in the N17/N18 Road project from existing co-shareholders following completion of construction which is currently expected to occur in 2019. This commitment does not form part of the Additional Investments.

PART V

MANAGEMENT AND ADMINISTRATION

Directors

The Directors are responsible for the overall management of the Company. The Directors, all of whom are independent and non-executive, are listed below:

Ian Russell CBE (British), resident in the UK, is a qualified accountant. He was appointed to the Board on 1 May 2013. Ian worked for Scottish Power plc between 1994 and 2006, initially as Finance Director and, from 2001, as its CEO. Prior to this he spent eight years as Finance Director at HSBC Asset Management in Hong Kong and London. Ian is chairman of Scottish Futures Trust and a director of Aberdeen Diversified Income and Growth Trust and the Mercantile Investment trust. Ian is Chairman of the Board.

Frank Nelson (British), resident in the UK, is a qualified accountant. He has over 25 years of experience in the construction, contracting, infrastructure and energy sectors. He was appointed to the Board on 1 June 2014. Frank was Finance Director of construction and house-building group Galliford Try plc from 2000 until October 2012. He was previously Finance Director of Try Group plc from 1987, leading the company through its floatation on the London Stock Exchange and the subsequent merger with Galliford. After Galliford Try, he took on the role of interim CFO of Lamprell plc in the UAE. Following his return from the Middle East, Frank was appointed as the Senior Independent Director of McCarthy and Stone, Telford and Eurocell. Frank is the Senior Independent Director.

Sarah Evans (British), resident in Guernsey, is a Chartered Accountant and a director of several other listed investment funds, as well as the Association of Investment Companies. She spent over six years with the Barclays Bank plc group from 1994 to 2001. During that time she was a treasury director and, from 1996 to 1998, was the Finance Director of Barclays Mercantile, where she was responsible for all aspects of financial control and operational risk management. Prior to joining Barclays she ran her own consultancy business advising financial institutions on all aspects of securitisation. From 1982 to 1988 she was with Kleinwort Benson, latterly as head of group finance. She is a member of the Institute of Directors. Sarah is Chairman of the Company's Audit Committee.

Sally-Ann Farnon (known as Susie) (British), resident in Guernsey, is a fellow of the Institute of Chartered Accountants in England and Wales, having qualified as an accountant in 1983, and is a non-executive director of a number of property and investment companies. She was appointed to the Board on 1 May 2013. Susie was a Banking and Finance Partner with KPMG Channel Islands from 1990 until 2001 and Head of Audit KPMG Channel Islands from 1999. She has served as President of the Guernsey Society of Chartered and Certified Accountants and as a member of The States of Guernsey Audit Commission and as Vice-Chairman of The Guernsey Financial Services Commission. Susie is Chairman of the Company's Risk Committee.

Simon Holden (British), resident in Guernsey, has more than 15 years of experience in private equity investment and portfolio company operations roles. Working initially with Candover Investments and latterly Terra Firma Capital Partners since 2008, he has completed a number of successful buy-outs and held a number of Board-level operational roles alongside the executive teams of portfolio companies. He left Terra Firma in late 2015 to take up a limited number of independent directorships of alternative investment funds, and fiduciary and trading company clients including Permira's global buy-out funds. Simon graduated from the University of Cambridge with an MEng and MA (Cantab) in Manufacturing Engineering, holds the IMC and is a member of the States of Guernsey's GIFA, NED Forum and IP Commercial Group.

Kenneth D. Reid (British), resident in Singapore, has more than 30 years of international experience in the sectors of construction, development and infrastructure investment. Working initially with Kier Group, and then from 1990 with Bilfinger Berger AG, he has been a project leader and senior management executive responsible for businesses and projects across all continents. From 2007 to 2010, Ken served as a member of the Group Executive Board of Bilfinger Berger AG. He graduated in Civil Engineering from Heriot-Watt University with First Class

Honours (BSc), and subsequently from Edinburgh Business School with an MBA. Ken is a Chartered Engineer, a non-executive director of Sicon Limited, and a member of the Singapore Institute of Directors.

Chris Russell (British) resident in Guernsey and a Fellow of the UK Society of Investment Professionals and a Fellow of the Institute of Chartered Accountants in England and Wales. He is Chairman of the Guernsey domiciled and London listed F&C Commercial Property Trust Ltd and Macau Property Opportunities Fund Ltd and is a non-executive director of Ruffer Investment Company Ltd and Schroders (C.I.) Ltd. Chris was formerly a director of Gartmore Investment Management plc, where he was Head of Gartmore's businesses in the US and Japan. Before that he was a holding board director of the Jardine Fleming Group in Asia.

Further details of the Directors' current and previous directorships are set out in Part X of this Prospectus.

The Directors are responsible for managing the business affairs of the Company and have overall responsibility for the Company's activities, including its risk and portfolio management activities.

The Directors have delegated certain risk and portfolio management activities to ICPL, who has been appointed to advise, monitor and review the investment portfolio and to operate and manage the Partnership and its assets in accordance with and subject to the Investment Policy, investment guidelines and approved delegation parameters that are adopted by the Directors from time to time.

Investment Adviser and Operator

ICPL is the investment adviser to the Company pursuant to the Investment Advisory Agreement and is the manager and operator of the Partnership. ICPL is authorised and regulated in the UK by the FCA.

ICPL is owned by 22 partners, having formerly been the infrastructure and real estate investment arm of the HSBC Group until its management buy-out in April 2011.

Members of the Infrastructure Investment Team are responsible for carrying out the Investment Adviser's functions as investment adviser and operator. The Infrastructure Investment Team is comprised of experienced infrastructure professionals with a strong track record in managing infrastructure investments.

Under the Investment Advisory Agreement, the Investment Adviser's appointment may be terminated, *inter alia*, by either the Company or the Investment Adviser giving 12 months' notice in writing to the other party.

ICPL's appointment as Operator has corresponding termination provisions, and if ICPL's appointment as Investment Adviser is terminated it may unilaterally terminate its appointment as Operator, and vice versa.

Management fees and advisory fees

The Investment Adviser, in its capacity as Operator, and the General Partner are together entitled to annual fees calculated on the following basis and in the following order: (i) 1.1 per cent. of the proportion of the Adjusted Gross Asset Value of the Group's investments which have a value of up to (and including) £750 million in aggregate; (ii) 1.0 per cent. of the proportion of the Adjusted Gross Asset Value of the Group's investments that is not accounted for under (i) which, together with the investments under (i) above, have an Adjusted Gross Asset Value of up to (and including) £1.5 billion in aggregate; (iii) 0.9 per cent. of the proportion of the Adjusted Gross Asset Value of the Group's investments not accounted for under (i) or (ii) above which, together with investments under (i) and (ii) above have an Adjusted Gross Asset Value of up to (and including) £2,250 million; and (iv) 0.8 per cent. of the proportion of the Adjusted Gross Asset Value of the Group that is not accounted for under (i), (ii) and (iii) above. The Investment Adviser is also entitled to a fixed advisory fee of £100,000 per annum.

These fees are calculated and payable six monthly in arrears, and are based on the Adjusted Gross Asset Value of the Group's assets at the beginning of the period concerned, adjusted on a time basis for acquisitions and disposals during the period.

The General Partner as part of its profit share is also entitled to receive an amount equal to 1.0 per cent. of the value of new portfolio investments made by the Group that are not sourced from entities, funds or holdings managed by ICPL or an affiliate of ICPL. This amount is payable on

completion of the acquisition of the relevant investment and is calculated on the sum of: (i) the consideration paid (excluding costs); and (ii) the amount of the outstanding investment obligations assumed in relation to the investment.

The Investment Adviser does not receive any directors' or other fees from any Project Company in the Current Portfolio and any fees arising from any Project Company are for the benefit of the Group.

The Directors intend to keep the fees described above under review to ensure they are set at appropriate levels.

If the Group invests in funds managed or operated by ICPL, the Group will bear any management or similar fees charged in relation to such funds, provided however that the value of the Group's investments in such funds will not be counted towards the valuation of the Group's investments for the purposes of calculating the sums payable to the Investment Adviser or the General Partner.

Other fees and expenses

The Company is responsible for other ongoing operational costs and expenses which include (but are not limited to) the fees and expenses of the Administrator, the Registrar, the Directors and the Auditors, as well as listing fees, regulatory fees, expenses associated with any purchases of or tender offers for Ordinary Shares, printing and legal expenses and other expenses (including insurance and irrecoverable VAT). The Luxcos bear the costs of their directors' and administration fees. The Partnership bears the expenses of its operation.

Investment process

Asset origination

The sourcing of new investments is undertaken by the Operator of the Partnership. ICPL has a dedicated Infrastructure Investment Team which uses the following methods to source investments:

- The Infrastructure Investment Team has an excellent Infrastructure Equity track record of supporting blue chip sponsors and developers through the primary bidding and structuring phases of projects and pursues these relationships with likely vendors of investment stakes. The long-term approach to partnership and asset ownership is attractive to vendors and the underlying concession grantors. The Infrastructure Investment Team is based in offices in New York and Sydney as well as London, helping to source suitable investments within the target geographical regions. Further details relating to the Infrastructure Investment Team are set out below in Part VI of this Prospectus.
- Relationships have been developed with other investment partners including financial institutions, funds and sponsors groups. The Infrastructure Investment Team uses these relationships to network and find suitable opportunities.
- The track record and reputation of the Infrastructure Investment Team, together with its network of contacts and relationships, ensures that a number of new opportunities are brought to the Infrastructure Investment Team from financial advisers, other advisers and vendors.
- Secondary asset sales and divestments are made by developers, concessionaire companies, corporates (contractors and operators) and financial institutions. The Infrastructure Investment Team monitors these groups for suitable opportunities.
- The Infrastructure Investment Team has access to and assesses a number of opportunities which arise by way of auctions and privatisations.
- The Infrastructure Investment Team has sourced all the new investments made since the launch of the Company in 2006.

Preliminary review

The Infrastructure Investment Team initially screens new opportunities for quality and compliance with the Group's Investment Policy, the robustness of the cash flows, and the spread of exposure to different types of infrastructure projects and key counterparties. If acceptable, a detailed financial analysis is then undertaken to analyse the cash flows and returns with reference to key operating, financing, tax and accounting assumptions.

Due diligence procedures

Members of the Infrastructure Investment Team evaluate all the risks which they believe are material to making an investment decision. Where appropriate, they complement their analysis through the use of professional advisers including engineering and/or technical consultants, environmental consultants, accountants, taxation, legal, regulatory and economic advisers, financial modellers and insurance experts. These advisers may carry out independent analysis which is intended to provide a second and independent review of key aspects of a project, providing confidence as to the project's performance and likely business plan projections.

All investment evaluations are supported by detailed financial analysis. Investments are considered using a base case set of forecasts which will be assessed together with a sensitivity analysis on key variables, including fluctuations in revenues and costs.

In addition, members of the Infrastructure Investment Team carry out a credit risk assessment on counterparties, contractors, subcontractors, equity investors and other parties, as appropriate, whilst having regard to country risk.

Investment approval

The Investment Adviser has an Investment Committee made up of six senior members of the Infrastructure Investment Team. The transaction leader presents a detailed paper describing the opportunity and the results of the asset review, valuation and due diligence for evaluation and formal approval prior to signing a binding investment agreement. The Investment Committee reviews prospective new investments at various stages up to their acquisition and sanctions the final approval of any acquisition. Prospective acquisitions are reviewed at least at the inception of discussions with the vendors or co-shareholders, at the formal offer stage and prior to any investment. The Investment Committee considers, *inter alia*, the suitability of the acquisition in relation to the existing portfolio, its match with the Group's Investment Policy and the projected returns compared to the Group's targets. Whilst the Operator has full discretion over acquisitions and disposals within agreed delegation parameters, it keeps the Directors informed of new opportunities. All prospective new investments are considered against a number of investment criteria to ensure they will be generally accretive to the Current Portfolio.

Investment monitoring

The Infrastructure Investment Team has a good understanding of each of the Group's investments and takes a proactive approach to portfolio and asset management. The Infrastructure Investment Team's asset management skills and capabilities provide important support through the appointment of directors to the Portfolio Companies to actively monitor and deal with any issues as they arise. Regular Portfolio Company board meetings, site visits and regular dialogue with key stakeholders are part of this active management process. This capability not only protects the value of the Group's portfolio, but equally allows the team to continually explore opportunities for additional value creation.

The Group receives regular management accounts and annual audited accounts from each Portfolio Company in which it holds equity, as well as management progress reports addressing critical factors such as actual performance against service requirements. These are reviewed by the Infrastructure Investment Team to determine compliance with agreed targets.

The Infrastructure Investment Team reviews the Current Portfolio on a quarterly basis to monitor performance.

The Infrastructure Investment Team has enhanced returns through the implementation of a range of portfolio enhancements and believes it delivers some further growth across the Current Portfolio through its management of the underlying PPP assets. The economies of scale that are achieved from portfolio enhancements can provide a competitive advantage in the acquisition of new assets.

Typical portfolio initiatives that have been, or are, actively analysed include:

- pooled portfolio insurance arrangements and other bulk buying arrangements;
- acquisitions of co-shareholders' interests in existing assets;
- spend-to-save initiatives;
- project variations;
- proactive business plan development, for example in stimulating third party revenues, managing service delivery and regulatory review outcomes;

- proactive treasury management to maximise deposit interest across the Group;
- the agreement of operating cost and capital cost pricing on long-term contracts with budgeted contingency release;
- if appropriate, the capital restructuring of existing funding arrangements, including through the introduction of more competitive financing; and
- the maintenance of close working relationships with Clients and supply chain contractors.

Investment realisation

Whilst the Group is a long-term owner of infrastructure assets and therefore unlikely to dispose of assets, opportunities for value maximisation through disposal will be considered if appropriate. To date, the Group has disposed completely of five investments and has re-invested the cash proceeds.

Administrators, Registrar and Transfer Agent

Aztec Financial Services (Guernsey) Limited is the Administrator to the Company and also provides company secretarial services and a registered office to the Company. RSM Tax & Accounting Luxembourg provides administrative services to the Luxcos.

Capita Registrars (Guernsey) Limited is the Registrar to the Company and Capita Registrars is the Company's UK transfer agent and receiving agent.

Safekeeping arrangements

The Company has engaged IAG Private Equity Limited, an independent provider of fund administration services globally, to provide safekeeping services to the Group in relation to share and loan note certificates related to the Group's investments.

PART VI

THE INFRASTRUCTURE INVESTMENT TEAM AND ITS TRACK RECORD

Introduction

The Investment Adviser was appointed as the investment adviser to the Company at the time of the Company's launch in March 2006 and was appointed as the operator of the Partnership by the General Partner, on behalf of the Partnership, on 22 March 2006. Under the terms of the Limited Partnership Agreement, the Operator has full discretion to acquire, dispose of or manage the assets of the Partnership, subject to investment guidelines which reflect the investment strategy, policy and restrictions applying to the Group as set out in this Prospectus.

The Investment Adviser is a wholly owned subsidiary of InfraRed Partners LLP. The Investment Adviser was incorporated in England and Wales on 2 May 1997 (registered number 3364976) and is authorised and regulated in the United Kingdom by the FCA.

InfraRed Group

The InfraRed Group is a privately owned dedicated property and infrastructure investment business, managing a range of infrastructure and property funds and investments. The Infrastructure Investment Team has a strong record of delivering attractive returns for its investors, which include pension funds, insurance companies, funds of funds, asset managers and high net worth investors domiciled in the UK, Europe, North America, Middle East and Asia.

The InfraRed Group comprises InfraRed Partners LLP and a number of wholly owned subsidiaries, two of which are regulated by the FCA (including the Investment Adviser and Operator). The InfraRed Group currently manages six infrastructure funds (including the Group) and five real estate funds. The InfraRed Group currently has a staff of around 120 employees and partners, based mainly in offices in London and with smaller offices in Hong Kong, New York, Seoul and Sydney. Further details on the InfraRed Group can be found at *www.ircp.com*.

Since 1990, the InfraRed Group (including predecessor organisations) has launched 17 investment funds investing in infrastructure and property, including the Company.

InfraRed Partners LLP

InfraRed Partners LLP is owned by 22 partners through InfraRed Capital Partners (Management) LLP. This ownership structure was the result of a management buyout of the specialist infrastructure and real estate business which was previously known as HSBC Specialist Investments Limited and was completed successfully in April 2011.

The Infrastructure Investment Team

Members of the Infrastructure Investment Team are responsible for carrying out the functions of the Investment Adviser and of the Operator.

The Infrastructure Investment Team specialises in Infrastructure Equity investment, predominantly in Europe, North America and Australasia to date. The Infrastructure Investment Team was originally established as an advisory business in Charterhouse Bank Limited in the early years of PFI/PPP, initially working as advisers to the UK Government and subsequently advising bidding consortia. This gave the Infrastructure Investment Team a valuable contact network within the UK public sector, which has since been maintained and developed.

By 1996, it was apparent that a funding gap had developed in the market because deal sponsors (contractors or facility management companies) did not have either the desire or the capacity to put up all the risk capital required to fund the flow of projects. In mid-1997, the Infrastructure Investment Team developed its advisory business into an investment business in order to take advantage of that opening. The Infrastructure Investment Team initially made principal investments on the Investment Adviser's own balance sheet before raising the first of its institutional funds, Fund I, in October 2001. The final closing of Fund I took place in May 2002 with aggregate commitments of £125 million from an international investor base. The majority of the capital of Fund I was fully committed by 2004 and the fund was successfully realised in 2006.

The Infrastructure Investment Team raised Fund II in 2004/2005 with a broader international investor base and aggregate commitments of £300 million. Fund III was raised in 2010 once the capital of Fund II had been substantially committed. The final close of Fund III took place in October 2011 with total capital raised of US$1.2 billion, ahead of the target of US$1.0 billion.

Funds I, II and III are ''primary'' funds which invest in infrastructure projects at their outset. The Investment Adviser has also raised the €235 million InfraRed Environmental Infrastructure Fund in 2009, an unlisted capital growth fund which invests in environmental infrastructure projects including renewable energy assets, water related infrastructure and other sectors.

In 2012, the InfraRed Infrastructure Yield Fund was created and it raised around £500 million from global investors to acquire a fully-seeded diversified portfolio of operational infrastructure assets from Fund II.

InfraRed is currently raising a fifth ''primary'' infrastructure fund, InfraRed Infrastructure Fund V.

The Infrastructure Investment Team currently consists of approximately 65 investment professionals, all of whom have an infrastructure investment background. The team currently has over 800 years' combined experience in the infrastructure sector, and approximately 400 years with the InfraRed Group (including predecessor organisations) and has a broad range of relevant skills, including private equity, structured finance, construction and facilities management.

The Infrastructure Investment Team is based in offices in London, New York, and Sydney, enabling the team to source new investment opportunities globally for the InfraRed Group and the funds it manages. The Infrastructure Investment Team takes a proactive approach to monitoring the performance of infrastructure investments for which it is responsible. It will usually take a seat on the boards of the relevant Project Companies. It has an excellent track record for managing investments in infrastructure projects in their construction, commissioning and operational phases. Many of the investments in the Current Portfolio have been in their operational phase for some time and these projects have performed well. The Infrastructure Investment Team has built up substantial experience in dealing with issues presented by the projects so that investment yields are maintained.

Investment record

The Infrastructure Investment Team has a long and successful proven track record in sourcing, structuring, acquiring, managing and financing Infrastructure Equity investments. It has been responsible for over 200 separate Infrastructure Equity investments for the InfraRed Group (including predecessor organisations) and its funds to date. Its projects have won several awards including awards from the Project Finance Magazine, the Infrastructure Journal and the Partnerships Bulletin. The team has expanded the Group's portfolio beyond its initial investment pool and is responsible for its continuing development. The Infrastructure Investment Team possesses a range of different skills and core infrastructure experience in the following sectors:

- social infrastructure, including education, health care, court houses, public sector buildings, public order, road maintenance and PFI/PPP forms of toll roads, bridges, tunnels and heavy and light railways;
- renewable energy, such as wind farms, solar power parks and hydro-electric schemes;
- regulated utilities, such as electricity/gas transmission and distribution, water and waste water utilities and water and waste water treatment; and
- transportation, such as toll roads, bridges, tunnels, seaports, airports and heavy and light railways.

The Investment Committee

The Investment Committee comprises Werner von Guionneau (CEO), Chris Gill (Deputy CEO), Tony Roper, Stewart Orrell, Keith Pickard, and Harry Seekings, and is responsible for overseeing the structuring, transacting and managing investments for the Group.

The Investment Committee has combined experience of over 130 years in making infrastructure investments and managing investments and projects. The skills and knowledge of its members are augmented by those of the investment professionals within the wider team as required. Further resource is provided from central functions within the business covering finance, risk management and control, document management and credit evaluations.

PART VII

ISSUE ARRANGEMENTS

The Issue

General

The Company examined a number of options for raising equity and has concluded that the combination of the Placing, the Open Offer, the Offer for Subscription and the Intermediaries Offer allows Existing Shareholders to participate in the Issue by subscribing for New Ordinary Shares pursuant to their Open Offer Entitlements on a pre-emptive basis as well as applying for further New Ordinary Shares under the Open Offer (by virtue of the Excess Application Facility), while providing the Company with the flexibility to raise the desired quantum of equity capital from new investors via the combined Placing, Offer for Subscription and Intermediaries Offer.

Size of Issue

The Company is seeking to raise £205 million (before expenses) through the Issue. The Directors have also reserved the right, in consultation with Canaccord Genuity, to increase the size of the Issue up to a maximum of £260 million to the extent that Additional Investments arise and overall demand for New Ordinary Shares exceeds the target amount. The net proceeds of the Issue will not in any event exceed the aggregate of: (i) the Group's net funding requirement; and (ii) the aggregate consideration expected to be payable for any Additional Investments.

If the Issue meets its target size of £205 million, it is expected that the Company will receive approximately £202.35 million from the Issue, net of fees and expenses associated with the Issue, which are anticipated to amount to approximately £2.65 million. If the Issue is increased to its maximum size of £260 million and is fully subscribed, it is expected that the Company will receive approximately £256.7 million from the Issue, net of fees and expenses associated with the Issue, which are anticipated to amount to approximately £3.3 million.

Use of Proceeds

The Company intends to use the net proceeds of the Issue in the following order of priority (in each case, where sufficient and assuming completion is reached): (i) to repay outstanding borrowings under the Facility; (ii) to make the Committed Investment; and (iii) to make any Additional Investments. If the net proceeds are not sufficient to fund the Committed Investment, the Group will make up any shortfall by borrowing under the Facility. If the net proceeds are not sufficient to fund any of the Additional Investments, the Group will fund the Additional Investments in full or in part by borrowing under the Facility where the Group Debt outstanding after such acquisition or acquisitions would be at a level that the Board considers prudent having regard to the terms of the Facility.

Conditions to the Issue

The Issue, which is not underwritten, is conditional upon:

- Admission occurring on or before 8.00 a.m. on 24 March 2017 or such time and/or date as the Company and Canaccord Genuity may agree, being not later than 31 May 2017;
- the Placing and Offer Agreement having become unconditional in all respects and not having been terminated in accordance with its terms before Admission;
- the approval of the Issue and the disapplication of pre-emption rights in connection with the Issue by Existing Shareholders at the Extraordinary General Meeting of the Company to be held on 20 March 2017 (or at any adjournment thereof); and
- not less than an aggregate of £50 million (or such lesser amount as the Directors and Canaccord Genuity, in consultation with the Investment Adviser, may agree) of New Ordinary Shares being subscribed for pursuant to the Issue.

If these conditions are not met, unless they are waived, the Issue will not proceed. Subject to those matters upon which the Issue is conditional, the Directors, with the consent of Canaccord Genuity, may bring forward or postpone the closing date for the Placing, the Open Offer, the Offer

for Subscription and the Intermediaries Offer by up to two weeks. The Issue may not be revoked after dealings in the New Ordinary Shares have commenced.

Pricing

The Issue Price is 159 pence per New Ordinary Share. The New Ordinary Shares will only be issued at a price which provides subscription proceeds per New Ordinary Share (net of the costs of the Issue) in excess of the prevailing Net Asset Value per Ordinary Share. In determining the Issue Price of 159 pence per New Ordinary Share, the Directors have added an appropriate premium to the prevailing Net Asset Value per Ordinary Share, to take into account the anticipated costs of the Issue and potential movements in the Net Asset Value per Ordinary Share between the date of this Prospectus and Admission. For these purposes, the Net Asset Value per Ordinary Share means the Net Asset Value per Ordinary Share excluding the aggregate amount of the third interim dividend for the financial year ending 31 March 2017 to which Existing Ordinary Shareholders are entitled but to which New Ordinary Shares issued under the Issue are not.

For information purposes only, the Net Asset Value per Ordinary Share as at 31 December 2016 was 147.4 pence.

Applications will be made for the New Ordinary Shares to be admitted to the Official List with a premium listing and to trading on the Main Market.

The Open Offer

Open Offer Entitlement

Under the Open Offer, an aggregate amount of 66,315,621 New Ordinary Shares (or such greater number as may be made available by the Directors in exercising their discretion to reallocate from the Placing, the Offer for Subscription and/or the Intermediaries Offer in favour of the Excess Application Facility) will be made available to Existing Shareholders at the Issue Price *pro rata* to their holdings of Existing Ordinary Shares, on the terms and subject to the conditions of the Open Offer, on the basis of:

1 New Ordinary Share for every 22 Ordinary Shares held at the Record Date

The balance of New Ordinary Shares to be made available under the Issue, together with any New Ordinary Shares not taken up pursuant to the Open Offer, will be made available under the Excess Application Facility, the Placing, the Offer for Subscription and the Intermediaries Offer.

Existing Shareholders should be aware that the Open Offer is not a rights issue and Open Offer Entitlements cannot be traded.

Fractional entitlements under the Open Offer will be rounded down to the nearest whole number of New Ordinary Shares and will be disregarded in calculating Open Offer Entitlements. All fractional entitlements will be aggregated and made available to Existing Shareholders under the Excess Application Facility.

The latest time and date for acceptance and payment in full in respect of the Open Offer will be 11.00 a.m. on 17 March 2017. If the Issue proceeds, valid applications under the Open Offer will be satisfied in full up to applicants' Open Offer Entitlements. Existing Shareholders are also being offered the opportunity to subscribe for New Ordinary Shares in excess of their Open Offer Entitlements under the Excess Application Facility, described below.

The terms and conditions of application under the Open Offer are included at the end of this Prospectus. These terms and conditions should be read carefully before an application is made. Investors who are in any doubt about the Issue arrangements should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser.

Excess Application Facility under the Open Offer

Subject to availability, Existing Shareholders who take up all of their Open Offer Entitlements may also apply under the Excess Application Facility for additional New Ordinary Shares in excess of their Open Offer Entitlement. The Excess Application Facility will comprise whole numbers of New Ordinary Shares under the Open Offer which are not taken up by Existing Shareholders pursuant to their Open Offer Entitlements, and any New Ordinary Shares that the Directors determine, in their absolute discretion, should be reallocated from the Placing, the Offer for Subscription and/or the Intermediaries Offer to satisfy demand from Existing Shareholders in preference to prospective

new investors under the Placing, the Offer for Subscription or the Intermediaries Offer (together, "**Excess Shares**").

Existing Non-CREST Shareholders who wish to apply to subscribe for more than their Open Offer Entitlement should complete the relevant sections on the Open Offer Application Form.

Existing CREST Shareholders will have Excess CREST Open Offer Entitlements credited to their stock account in CREST and should refer to paragraph 4.2 of the Terms and Conditions of the Open Offer at the end of this Prospectus for information on how to apply for Excess Shares pursuant to the Excess Application Facility.

Action to be taken under the Open Offer

Non-CREST Shareholders

Existing Non-CREST Shareholders will be sent an Open Offer Application Form giving details of their Open Offer Entitlement.

Persons that have sold or otherwise transferred all of their Existing Ordinary Shares should forward this document, together with any Open Offer Application Form, if and when received, at once to the purchaser or transferee, or the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee, except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

Any Existing Shareholder that has sold or otherwise transferred only some of their Existing Ordinary Shares held in certificated form on or before the close of business on 20 February 2017, should refer to the instructions regarding split applications in the Terms and Conditions of the Open Offer at the end of this Prospectus and in the Open Offer Application Form.

CREST Shareholders

Existing CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlement and their Excess CREST Open Offer Entitlement as soon as practicable after 8.00 a.m. on 24 March 2017.

In the case of any Existing Shareholder that has sold or otherwise transferred only part of their holding of Existing Ordinary Shares held in uncertificated form on or before the close of business on 20 February 2017, a claim transaction will automatically be generated by Euroclear UK & Ireland which, on settlement, will transfer the appropriate Open Offer Entitlement and Excess CREST Open Offer Entitlement to the purchaser or transferee.

Full details of the Open Offer are contained in the Terms and Conditions of the Open Offer at the end of this Prospectus. If you have any doubt as to what action you should take, you should seek your own financial advice from your stockbroker, solicitor or other independent financial adviser duly authorised under FSMA who specialises in advice on the acquisition of shares and other securities immediately.

The International Security Identification Number for New Ordinary Shares applied for under a Shareholder's basic entitlement under the Open Offer Entitlement is GG00BYXR0H29.

The International Security Identification Number for Excess Shares under the Excess Application Facility is GG00BYXR0J43.

The Offer for Subscription

The Offer for Subscription will open on 23 February 2017 and the latest time for receipt of Application Forms will be 1.00 p.m. on 16 March 2017.

The terms and conditions of application under the Offer for Subscription and an Application Form are included at the end of this Prospectus. These terms and conditions should be read carefully before an application is made. Investors who are in any doubt about the Offer for Subscription should consult their respective stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Application Forms, accompanied by a cheque or duly endorsed bankers' draft, should be returned by post (or by hand during normal business hours only) to Capita Asset Services Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU by no later than 1.00 p.m. on 17 March 2017.

The Placing

The Company, the Investment Adviser and Canaccord Genuity have entered into the Placing and Offer Agreement, pursuant to which Canaccord Genuity has agreed, subject to certain conditions, to use reasonable endeavours to procure placees for up to 260 million New Ordinary Shares at the Issue Price under the Placing, less the number of New Ordinary Shares required to satisfy valid applications under the Open Offer and the Excess Application Facility. Placing commitments should be received by no later than 12.00 noon on 21 March 2017.

Details of the terms of the Placing and Offer Agreement are set out in section 12 of Part X of this Prospectus.

The Intermediaries Offer

Members of the general public in the United Kingdom may be eligible to apply for New Ordinary Shares through the Intermediaries, by following their relevant application procedures, by no later than 11.00 a.m. on 17 March 2017. The Intermediaries Offer is being made to retail investors in the United Kingdom only.

Individuals who are aged 18 or over, companies and other bodies corporate, partnerships, trusts, associations and other unincorporated organisations are permitted to apply to subscribe for or purchase New Ordinary Shares in the Intermediaries Offer. Individuals aged between 16 and 18 may apply to subscribe for New Ordinary Shares in the Intermediaries Offer through an Intermediary only if such New Ordinary Shares are to be held in a Junior ISA. Only one application for New Ordinary Shares may be made for the benefit of any one person in the Intermediaries Offer. Underlying Applicants are responsible for ensuring that they do not make more than one application under the Intermediaries Offer (whether on their own behalf or through other means, including, but without limitation, through a trust or pension plan). Intermediaries may not make multiple applications on behalf of the same person.

There is a minimum application amount of £1,000 per retail investor in the Intermediaries Offer. There is no maximum application amount in the Intermediaries Offer. No New Ordinary Shares allocated under the Intermediaries Offer will be registered in the name of any person whose registered address is outside the United Kingdom, except in certain limited circumstances and with the consent of the Canaccord Genuity. Applications under the Intermediaries Offer must be by reference to the total monetary amount the applicant wishes to invest and not by reference to a number of New Ordinary Shares or the Issue Price.

An application for New Ordinary Shares in the Intermediaries Offer means that the applicant agrees to acquire the relevant New Ordinary Shares at the Issue Price. Each applicant must comply with the appropriate money laundering checks required by the relevant Intermediary. Where an application is not accepted or there are insufficient New Ordinary Shares available to satisfy an application in full, allocations of New Ordinary Shares may be scaled down to an aggregate value which is less than that applied for. The relevant Intermediary will be obliged to refund the applicant as required and all such refunds will be in accordance with the terms provided by the Intermediary to the applicant. The Company and Canaccord Genuity accept no responsibility with respect to the obligation of the Intermediaries to refund monies in such circumstances.

Each Intermediary has agreed, or will on appointment agree, to the Intermediaries Terms and Conditions (further details of which are set out at paragraph 13 of Part X of this Prospectus), which regulate, *inter alia*, the conduct of the Intermediaries Offer on market standard terms, and may provide for the payment of commission to any Intermediary.

Under the Intermediary Terms and Conditions, in making an application, each Intermediary will also be required to represent and warrant, among other things, that it is not located in the United States and is not acting on behalf of anyone located in the United States. Under the Intermediaries Offer, the New Ordinary Shares will be offered outside the United States only in offshore transactions as defined in, and in reliance on, Regulation S.

In addition, the Intermediaries may prepare certain materials for distribution or may otherwise provide formation or advice to retail investors in the United Kingdom, subject to the terms of the Intermediaries Terms and Conditions. Any such materials, information or advice are solely the responsibility of the Intermediaries and will not be reviewed or approved by the Company, the Investment Adviser or Canaccord Genuity. Any liability relating to such documents will be for the Intermediaries only. Any Intermediary that uses this Prospectus must state on its website that it uses this Prospectus in accordance with the Company's consent. If a retail investor asks an

Intermediary for a copy of the Prospectus in printed form, that Intermediary must send (in hard copy or via an email attachment or web link) such Prospectus to that retail investor at the expense of that Intermediary.

Intermediaries are required to provide the terms and conditions of the relevant offer made by the Intermediary to any prospective investor who has expressed an interest in participating in the Intermediaries Offer.

Allocations of New Ordinary Shares under the Intermediaries Offer will be at the absolute discretion of the Company (in consultation with Canaccord Genuity and the Investment Adviser). No specific number of New Ordinary Shares has been set aside for, and there will be no preferential treatment of, any retail investor or any Intermediary. The publication of this Prospectus and any actions of the Company, Canaccord Genuity, the Investment Adviser, the Intermediaries or other persons in connection with the Issue should not be taken as any representation or assurance as to the basis on which the number of New Ordinary Shares to be offered under the Intermediaries Offer or allocations within the Intermediaries Offer will be determined and all liabilities for any such action or statement are hereby disclaimed by the Company, the Investment Adviser and Canaccord Genuity.

The Intermediary will be notified by Canaccord Genuity as soon as reasonably practicable after allocations are decided. The relevant Intermediaries notification will be sent by email to each Intermediary separately and shall specify: (i) the aggregate number of New Ordinary Shares allocated to, and to be acquired by, the relevant Intermediary (on behalf of the relevant retail investors); (ii) if applicable, the basis on which the relevant Intermediary should allocate New Ordinary Shares to retail investors on whose behalf the Intermediary submitted applications, and (iii) the total amount payable by the Intermediary in respect of such New Ordinary Shares. The Intermediaries will also each be sent confirmation by Canaccord Genuity (acting as settlement agent to the Intermediaries Offer) to confirm the numbers of new Ordinary Shares it has been allocated in the Intermediaries Offer.

Pursuant to the Intermediaries Terms and Conditions, each Intermediary has undertaken to make payment on their own behalf (and not on behalf of any other person) of the consideration for the New Ordinary Shares allocated to it in the Intermediaries Offer at the Issue Price to Canaccord Genuity (acting as settlement agent to the Intermediaries Offer) by means of the CREST system against delivery of the New Ordinary Shares on the date of Admission.

Each retail investor who applies for New Ordinary Shares in the Intermediaries Offer through an Intermediary shall, by submitting an application to such Intermediary, be required to agree that it must not rely, and will not rely, on any information or representation other than as contained in the Prospectus or any supplement thereto published by the Company prior to Admission. Each Intermediary acknowledges that none of the Company, the Investment Adviser or Canaccord Genuity will have any liability to the Intermediary or any retail investor for any such other information or representation not contained in this Prospectus or any such supplement thereto published by the Company prior to Admission.

Basis of Allocation

In the event that subscriptions exceed the maximum number of New Ordinary Shares available under the Issue, the Directors will scale back subscriptions under the Placing, the Offer for Subscription and the Intermediaries Offer at their discretion. The Open Offer is being made on a pre-emptive basis to Existing Shareholders and is not subject to scaling back in favour of any of the Placing, the Offer for Subscription or the Intermediaries Offer. The Directors have the discretion to scale back the Placing, the Offer for Subscription and/or the Intermediaries Offer in favour of the Open Offer by reallocating New Shares that would otherwise be available under the Placing, the Offer for Subscription and/or the Intermediaries Offer to be available to Existing Shareholders through the Excess Application Facility under the Open Offer. Any New Ordinary Shares that are available under the Open Offer and are not taken up by Existing Shareholders under their Open Offer Entitlements and under the Excess Application Facility will be reallocated to the Placing, the Offer for Subscription and/or the Intermediaries Offer and available thereunder.

Applications under the Excess Application Facility may be allocated in such manner as the Directors determine, in their absolute discretion (in consultation with Canaccord Genuity and the Investment Adviser), and no assurance can be given that applications by Existing Shareholders under the Excess Application Facility will be met in full or in part or at all. In the event of oversubscription under the Excess Application Facility, the Directors have the discretion (but are

not obliged) to limit applications by Existing Shareholders *pro rata* to their aggregate holdings of Existing Ordinary Shares. However, the Directors also have the discretion (but are not obliged) to scale back the Placing, the Offer for Subscription and/or the Intermediaries Offer in favour of the Excess Application Facility by re-allocating New Ordinary Shares that would otherwise be available under the Placing, the Offer for Subscription, and/or the Intermediaries Offer to Existing Shareholders through the Excess Application Facility. To the extent any New Ordinary Shares remain unallocated pursuant to Open Offer Entitlements and under the Excess Application Facility, they will be made available under the Placing, the Offer for Subscription, and the Intermediaries Offer at the Directors' discretion (in consultation with Canaccord Genuity and the Investment Adviser).

The basis of allocation under the Issue is expected to be announced on 22 March 2017.

Issue Expenses

The Issue expenses (including VAT where relevant and assuming the Issue is fully subscribed and the Directors proceed at the target Issue size of £205 million) are expected to be approximately £2.65 million. The Issue expenses (including VAT where relevant and assuming the Issue is fully subscribed and the Directors proceed at the maximum Issue size of £260 million) are expected to be approximately £3.29 million. Under the terms of the Placing and Offer Agreement (as set out in more detail in section 12 of Part X of this Prospectus), Canaccord Genuity will receive a corporate finance fee and is entitled to commission based on the gross proceeds of the Issue.

The Issue expenses will include an additional fee of £10,000 payable to each Director in connection with the Issue.

General

Subject to those matters on which the Issue is conditional, the Directors, with the consent of Canaccord Genuity, may bring forward or postpone the closing date for the Placing, the Open Offer, the Offer for Subscription and the Intermediaries Offer by up to two weeks.

To the extent that any application for subscription is rejected in whole or in part, or the Directors determine in their absolute discretion that the Issue should not proceed, monies received by Capita Asset Services, as Receiving Agent to the Open Offer and the Offer for Subscription, will be returned to each relevant applicant by crossed cheque in favour of the applicant(s) within 14 days at the applicant's risk and without interest.

The Company does not propose to accept multiple subscriptions. Financial intermediaries (other than Intermediaries under the Intermediaries Offer) who are investing on behalf of clients should make separate applications or, if making a single application for more than one client, provide details of all clients in respect of whom application is being made. Multiple applications or suspected multiple applications on behalf of a single client are liable to be rejected.

Non-UK Investors

The attention of persons resident outside the UK is drawn to the section of this Prospectus headed ''Notices to Non-UK Investors'' which contain restrictions on the holding of New Ordinary Shares by such persons.

This Prospectus does not constitute an offer to sell or an offer to subscribe for or buy New Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful.

In particular investors should note that the New Ordinary Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Company has not registered, and does not intend to register, as an investment company under the Investment Company Act. Accordingly, the New Ordinary Shares may not be offered, sold, pledged or otherwise transferred or delivered within the United States or to, or for the account or benefit of, any US Persons except in a transaction meeting the requirements of an applicable exemption from the registration requirements of the Securities Act.

Dealing Arrangements

Application will be made for the New Ordinary Shares to be admitted to trading on the Main Market. It is expected that Admission will become effective, and that dealings in the New Ordinary Shares will commence, at 8.00 a.m. on 24 March 2017.

Settlement

The latest time and date for acceptance and payment in full is expected to be 11.00 a.m. on 17 March 2017 for the Offer for Subscription, Open Offer and Intermediaries Offer and 12.00 noon on 21 March 2017 for the Placing, unless otherwise announced by the Company.

The Open Offer

The procedure for acceptance and payment is set out in ''Terms and Conditions of the Open Offer'' at the end of this Prospectus and, in respect of Existing Non-CREST Shareholders, in the Open Offer Application Form.

The Offer for Subscription

Payment for New Ordinary Shares applied for under the Offer for Subscription should be made in accordance with the instructions contained in ''Terms and Conditions of the Offer for Subscription'' and the Application Form set out at the end of this Prospectus.

The Placing

Payment for the New Ordinary Shares to be acquired under the Placing should be made in accordance with settlement instructions provided to investors by Canaccord Genuity.

The Intermediaries Offer

Payment for New Ordinary Shares applied for under the Intermediaries Offer should be made in accordance with the instructions contained in Intermediaries Terms and Conditions.

To the extent that any application or subscription for New Ordinary Shares is rejected in whole or part, monies will be returned to the applicant without interest.

Anti-money laundering

Pursuant to anti-money laundering laws and regulations with which the Company must comply in the UK and/or Guernsey, the Company and its agents, the Administrator, the Receiving Agent, the Investment Adviser and Canaccord Genuity may require evidence in connection with any application for New Ordinary Shares, including further identification of the applicant(s), before any New Ordinary Shares are issued to an applicant.

The Company and its agents, the Administrator, the Receiving Agent, the Investment Adviser and Canaccord Genuity reserve the right to request such information as is necessary to verify the identity of a New Ordinary Shareholder or prospective New Ordinary Shareholder and (if any) the underlying beneficial owner or prospective beneficial owner of a New Ordinary Shareholder's New Ordinary Shares. In the event of delay or failure by the New Ordinary Shareholder or prospective New Ordinary Shareholder to produce any information required for verification purposes, the Directors, in consultation with the Receiving Agent, Canaccord Genuity and the Investment Adviser, may refuse to accept a subscription for New Ordinary Shares, or may refuse the transfer of New Ordinary Shares held by any such New Ordinary Shareholder.

PART VIII

TAXATION

The following summary is given as a general guide to the tax treatment of the Group and certain types of investors. It does not purport to cover all taxation issues which might be applicable to the Group or such investors and is not intended to be, nor should be construed to be, legal, tax or investment advice to any particular investor. The summary is based on current laws and tax authority practices in the UK, Guernsey and Luxembourg, which may change (possibly with retroactive effect), but the summary is believed to be correct at the date hereof. Nevertheless, prospective investors are strongly advised to seek their own advice on the taxation consequences of an investment in the Company, especially those prospective investors who are not resident for tax purposes in the UK as they may be subject to taxation law in their respective jurisdictions. Individuals who are citizens of, or resident in, the United States and corporations or other entities taxable as corporations that were created or organised in or under the laws of the United States or any political subdivision thereof, must seek their own advice as to the consequences of the purchase, beneficial ownership and/or disposition of the Ordinary Shares under US federal, state, local and other tax laws, including the possible effects of changes to such laws.

Guernsey Taxation

The Company

Under current law and practice in Guernsey, the Company is eligible for and has been granted exemption from Income Tax in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989 (the "Ordinance"). Under the provisions of the Ordinance, the Company will be treated as if it were not resident in Guernsey for the purposes of liability to Guernsey income tax and will not be liable to income tax in Guernsey save in respect of income arising in Guernsey (other than bank deposit interest). It is anticipated that no income other than bank deposit interest will arise in Guernsey and therefore the Company should not incur any additional liability to Guernsey tax. It is intended to conduct the affairs of the Company so as to ensure it retains such exempt status which is granted on application on an annual basis and on payment of the annual fee, currently £1,200 per application, and provided the Company continues to qualify under the applicable legislation for exemption.

In the absence of tax exempt status, the Company would be Guernsey tax resident and taxable at the Guernsey standard rate of company income tax, which is currently zero per cent.

Guernsey currently does not levy taxes upon capital inheritances, capital gains, gifts, sales or turnover (unless the varying of investments and the turning of such investments to account is a business or part of a business), nor are there any estate duties, (save for registration fees and *ad valorem* duty for a Guernsey Grant of Representation where the deceased dies leaving assets in Guernsey which require presentation of such a Grant).

No stamp duty is chargeable in Guernsey on the issue, transfer or redemption of shares in the Company.

The Shareholders

Shareholders resident in Guernsey

Shareholders who are resident for tax purposes in Guernsey (which includes Alderney and Herm) will incur Guernsey income tax at the applicable rate on a distribution, whether received in cash or as a scrip dividend from the Company. The Company will be required to provide the Director of Income Tax in Guernsey with such particulars relating to any distribution paid to Guernsey resident Shareholders as the Director of Income Tax may require, including the names and addresses of the Guernsey resident Shareholders, the gross amount of any distribution paid and the date of the payment. Provided the Company maintains its exempt status, there would currently be no requirement for the Company to withhold tax from the payment of a distribution to a Guernsey resident Shareholder.

Shareholders not resident in Guernsey

In the case of Shareholders who are not resident in Guernsey for tax purposes and provided the Company maintains its exempt status, the Company's distributions, whether paid in cash or as a scrip dividend, can be made to such Shareholders without giving rise to a liability to Guernsey income tax, nor will the Company be required to withhold Guernsey tax on such distributions.

European Savings Directive

Although not a Member State of the European Union, Guernsey, in common with certain other jurisdictions, entered into agreements with EU Member States on the taxation of savings income. However, paying agents located in Guernsey are not required to operate the measures on payments made by closed-ended investment companies.

However, on 10 November 2015 the Council of the European Union repealed the EU Savings Directive (2003/48/EC) (the "**Directive**") from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other EU Member States (subject to ongoing requirements to fulfil administrative obligations such as the reporting and exchange of information relating to, and accounting for withholding taxes on, payments made before those dates). This is to prevent overlap between the Directive and the implementation of the CRS in the EU under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU).

Guernsey is in the process of seeking confirmation from each EU Member State that the repeal of the Directive suspends the equivalent agreements that the EU Member States have with Guernsey. It is anticipated that all EU Member States will ultimately give this confirmation. Guernsey is also intending to suspend retroactively its domestic Directive legislation with effect from 1 January 2016 (whilst retaining the relevant provisions to enable reports for 2015 to be made), although this process may be delayed pending the outcome of discussions with the Austrian authorities (as the Directive ceased to apply to Austria after 31 December 2016).

FATCA – the US-Guernsey IGA

On 13 December 2013 the Chief Minister of Guernsey signed the US-Guernsey IGA regarding the implementation of FATCA. Under FATCA and legislation enacted in Guernsey to implement the US-Guernsey IGA, certain disclosure requirements will be imposed in respect of certain Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents or citizens of the United States, unless a relevant exemption applies. Certain due diligence obligations will also be imposed. Where applicable, information that will need to be disclosed will include certain information about Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Company. The Company will be required to report this information each year in the prescribed format and manner as per local guidance.

Under the terms of the US-Guernsey IGA, Guernsey resident financial institutions that comply with the due diligence and reporting requirements of Guernsey's domestic legislation will be treated as compliant with FATCA and, as a result, should not be subject to FATCA withholding on payments they receive and should not be required to withhold under FATCA on payments they make. If the Company does not comply with these obligations, it may be subject to a FATCA deduction on certain payments to it of US source income (including interest and dividends) and (from 1 January 2019) proceeds from the sale of property that could give rise to US source interest or dividends. The US-Guernsey IGA is implemented through Guernsey's domestic legislation in accordance with guidance that is published in draft form.

Under the US-Guernsey IGA, securities that are "regularly traded" on an established securities market, such as the Main Market, are not considered financial accounts and are not subject to reporting. For these purposes, Shares will be considered "regularly traded" if there is a meaningful volume of trading with respect to the Shares on an ongoing basis. Notwithstanding the foregoing, a Share will not be considered "regularly traded" and will be considered a financial account if the Shareholder is not a financial institution acting as an intermediary. Such Shareholders will be required to provide information to the Company to allow it to satisfy its obligations under FATCA, although it is expected that whilst an Ordinary Share is held in uncertificated form through CREST, the holder of that Ordinary Share will likely be a financial institution acting as an intermediary. Shareholders that own Ordinary Shares through a financial intermediary may be required to provide information to such financial intermediary in order to allow the financial intermediary to satisfy its obligations under FATCA.

Common Reporting Standard

On 13 February 2014, the OECD released the CRS designed to create a global standard for the automatic exchange of financial account information, similar to the information to be reported under FATCA. On 29 October 2014, fifty-one jurisdictions signed the multilateral competent authority agreement ("Multilateral Agreement") that activates this automatic exchange of FATCA-like information in line with the CRS. Since then further jurisdictions have signed the Multilateral Agreement and in total over 100 jurisdictions have committed to adopting the CRS. Many of these jurisdictions have now adopted the CRS with effect from either 1 January 2016 or 1 January 2017.

Early adopters who signed the Multilateral Agreement (including Guernsey) have pledged to work towards the first information exchanges taking place by September 2017. Others are expected to follow with information exchange starting in 2018.

Under the CRS and legislation enacted in Guernsey to implement the CRS with effect from 1 January 2016, certain disclosure requirements will be imposed in respect of certain Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents of any of the jurisdictions that have also adopted the CRS, unless a relevant exemption applies. Certain due diligence obligations will also be imposed. Where applicable, information that would need to be disclosed will include certain information about Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Company. The Company will be required to report this information each year in the prescribed format and manner as per local guidance. The CRS is implemented through Guernsey's domestic legislation in accordance with guidance that is published in draft form and which is supplemented by guidance issued by the OECD.

Under the CRS, there is currently no reporting exemption for securities that are "regularly traded" on an established securities market, although it is expected that whilst an Ordinary Share is held in uncertificated form through CREST, the holder of the Ordinary Share will likely be a financial institution acting as an intermediary. Shareholders that own Ordinary Shares through a financial intermediary may be required to provide information to such financial intermediary in order to allow the financial intermediary to satisfy its obligations under the CRS.

All prospective investors should consult with their own tax advisers regarding the possible implications of FATCA, the CRS and any other similar legislation and/or regulations on their investment in the Company.

If the Company fails to comply with any due diligence and/or reporting requirements under Guernsey legislation implementing the US-Guernsey IGA and/or the CRS then the Company could be subject to (in the case of the US-Guernsey IGA) US withholding tax on certain US source payments, and (in all cases) the imposition of financial penalties introduced pursuant to the relevant implementing regulations in Guernsey. Whilst the Company will seek to satisfy its obligations under the US-Guernsey IGA and the CRS and associated implementing legislation in Guernsey to avoid the imposition of any financial penalties under Guernsey law, the ability of the Company to satisfy such obligations will depend on receiving relevant information and/or documentation about each Shareholder and the direct and indirect beneficial owners of the Shareholders (if any). There can be no assurance that the Company will be able to satisfy such obligations.

Request for Information

The Company reserves the right to request from any Shareholder or potential investor such information as the Company deems necessary to comply with FATCA and the CRS, or any obligation arising under the implementation of any applicable intergovernmental agreement, including the US-Guernsey IGA and the Multilateral Agreement, relating to FATCA, the CRS or the automatic exchange of information with any relevant competent authority.

Luxembourg Taxation

The Luxcos are fully taxable companies and should be considered as resident taxpayers for Luxembourg domestic tax purposes within the meaning of article 159 of the Luxembourg income tax law ("**LITL**") and for purposes of the tax treaties concluded by the Grand Duchy of Luxembourg with other countries. The Luxcos will be liable to Luxembourg corporate income tax and municipal business tax at an aggregate rate of 27.08 per cent, as from 1 January 2017 for a

company with its registered seat in Luxembourg City, on its worldwide income (including the amount of the arm's length margin on their financing activities).

However, it is expected that the Luxcos will be able to mitigate taxation in Luxembourg by application of the participation exemption (see below) and their financial charges on their internal financing arrangements.

Financing margin

The Luxcos' interest income will be fully taxable in Luxembourg. Interest expenses will be fully deductible, subject to the recognition of an arm's length margin on the financing activity. The Luxcos will be liable to Luxembourg corporate income tax and municipal business tax at an aggregate rate of 27.08 per cent for a company with its registered seat in Luxembourg City, on the amount of the arm's length margin earned on their financing activities.

To be added, the financing margin of each of the Luxcos must be determined in a transfer pricing report which confirms the compliance of the financing margin with the OECD Transfer Pricing Guideline.

The arm's length principle has to also be applied to any intra-group transaction and not only intra-group financing activities.

Participation exemption

Dividends received by the Luxcos from qualifying participations will be exempt from tax under the Luxembourg participation exemption provided that certain conditions contained in Article 166 LITL are met. Similarly, the disposal of shares by either of the Luxcos will also be exempt from tax by virtue of the participation exemption provided that certain conditions are met. The Directors intend to manage the holdings in subsidiaries so that the participation exemption conditions are met.

Please note that an anti-hybrid provision has been included in the Luxembourg participation exemption regime, where hybrid instruments will no longer be able to benefit from the participation exemption regime. Dividend distributions received from EU companies may not benefit from the Luxembourg participation exemption, if such distributions are tax deductible from the distributing company's tax basis. To be added, an anti-abuse rule has also been included in the Luxembourg participation exemption regime, where the benefit of the Luxembourg participation exemption is denied in case distributions are allocated to a sham arrangement with no commercial or economical reasons but implemented solely or in particular to obtain a tax advantage, which isn't in line with the aim of the EU parent-subsidiary directive.

Withholding tax

The Luxcos should be entitled to receive dividend and interest payments from UK and other EU subsidiaries without a withholding on account of taxation, subject to the provisions of the EU parent-subsidiary directive, the EU interest and royalties directive and, in the case of UK source interest specifically, on receipt of clearance from HMRC for interest to be paid without deduction of UK income tax.

Insofar as the interest accrued or paid is at arm's length, the Luxcos are not over-indebted and the interest is not accrued or paid on a profit participating bond within the sense of Article 146(1) LITL or under a silent partnership agreement within the meaning of Article 97, (1), 2 LITL, the Luxcos can make interest payments to the Company without a withholding on account of taxation as there is no requirement to withhold tax under Luxembourg law. As the Company is a legal person, the Luxembourg Law of 23 December 2005 (as amended) on taxation of revenues from savings should not apply. In principle, dividends payable by the Luxcos to the Company will be subject to 15 per cent of withholding tax, although measures will be taken to mitigate such withholding tax such as the application of the participation exemption regime as describe above.

Net worth tax

The Luxcos are liable to an annual net worth tax at a rate of 0.5 per cent on the first bracket on the worldwide net worth (i.e., assets minus liabilities) amounting to EUR 500 million and at a rate of 0.05% on the second bracket of the net worth exceeding this threshold. However, the Directors consider that the amount charged should be nominal on the basis that equity funded shareholdings that qualify for the participation exemption are considered exempt assets and the debts of the Luxcos are tax deductible for net worth tax purposes unless they are financing exempt assets.

Please note that the Luxcos may further be subject to (a) a minimum net worth tax of EUR 4,815 if they hold assets such as fixed financial assets, receivables owed to affiliated companies, transferable securities, postal checking accounts, checks and cash, in a proportion that exceeds 90 % of their total balance sheet value and if the total balance sheet value exceeds EUR 350,000, or (b) a minimum net worth tax between EUR 535 and EUR 32,100 based on the total amount of their assets. Items (e.g., real estate properties or assets allocated to a permanent establishment) located in a treaty country, where the latter has the exclusive tax right, are not considered for the calculation of the 90% threshold.

Capital duty

No capital duty applies to subscribed capital. Nevertheless, a registration tax of EUR 75 should be due upon each amendment of the by-laws.

Registration taxes and stamp duties

In principle, neither the issuance of shares, nor the disposal of shares is subject to Luxembourg registration tax or stamp duty.

However a registration duty may be due upon the registration of the deed acknowledging the issuance/disposal of shares in Luxembourg in the case of legal proceedings before Luxembourg courts or in case such deed would have to be produced before an official Luxembourg authority or in case of a registration of such deed on a voluntary basis.

Gift tax

Gift tax may be due on a gift or donation of shares if recorded in a Luxembourg notarial deed or otherwise recorded in Luxembourg.

Taxation of the Partnership

Luxco 2 will invest in the Partnership which is transparent for UK tax purposes. From a Luxembourg tax perspective, the transparency of the Partnership is to be accepted by the Luxembourg tax authorities.

UK Taxation of Shareholders

The following comments only apply to Shareholders who are resident solely in the UK for taxation purposes and who hold their interest in the Company for investment purposes. They do not apply to persons who hold their interest in the Company as trustees or in any other capacity other than that of absolute beneficial owner; nor do they apply to persons who carry on a banking, financial or insurance trade.

As the Company is a closed-ended company and there is no guarantee or undertaking being given that could give rise to an expectation that a reasonable investor could realise their investment either entirely or almost entirely by reference to net asset value (or by reference to an index), it is not expected that the Company will be treated as an offshore fund for the purposes of the offshore funds rules.

Individual Shareholders

Where an individual Shareholder who is resident in the UK, but who is not subject to the remittance basis of taxation, receives a dividend from the Company, this is a foreign source dividend. The UK resident individual Shareholders have an allowance which exempts the first £5,000 of the Shareholder's dividend income from income tax. Dividend income in excess of this will be subject to income tax at (generally) 7.5 per cent. if the individual is a basic rate taxpayer, 32.5 per cent. if the individual is a higher rate taxpayer or 38.1 per cent. if the individual is an additional rate taxpayer (i.e. has an annual taxable income in excess of £150,000).

Individual Shareholders who are resident but not domiciled in the UK and to whom the remittance basis of taxation applies will only be taxed to the extent that the dividends are remitted or deemed to be remitted to the UK. If remitted to the UK, dividends are taxed at the normal tax rates (currently 20 per cent., 40 per cent. and 45 per cent.) and not the special rates applicable to dividends as described above.

On the basis that it is not expected that the Company will be treated as an offshore fund for the purposes of the offshore funds rules, gains on disposal of the Ordinary Shares by individual UK resident Shareholders should not be subject to UK income tax, but may, depending on the Shareholders' individual circumstances, give rise to liability to UK taxation on capital gains.

Shareholders who are resident in the UK for tax purposes will generally be liable to capital gains tax accruing on the sale or other disposal of their Ordinary Shares. Capital gains tax will be charged at 10 per cent. where the total chargeable gains and total taxable income arising to that individual in a tax year, after all allowable deductions (including losses, the income tax personal allowance and the capital gains tax annual exempt amount) are less than the upper limit of the income tax basic rate band (which is currently £32,000, increasing to £33,500 from and including the tax year 2017/2018). To the extent that any such chargeable gains (or part of any such chargeable gains) arising in a tax year exceed the upper limit of the income tax basic rate band (when aggregated with total taxable income in that tax year as referred to above), capital gains tax will be charged at 20 per cent. on such chargeable gains. If the offshore funds rules do apply, there will be income tax at 20 per cent. for UK basic rate individual taxpayers, 40 per cent. for higher rate individual taxpayers and 45 per cent. for taxpayers with an annual taxable income in excess of £150,000.

Individual Shareholders who are resident but not domiciled in the UK and to whom the remittance basis of taxation applies will only be taxed on gains arising on disposal of Ordinary Shares to the extent that the gains are remitted or deemed to be remitted to the UK.

Individuals who are resident for tax purposes in jurisdictions other than the UK will be taxed according to the rules of that jurisdiction.

Where a UK resident individual Shareholder receives a capital distribution, this will be treated as a part disposal of their holding. The capital gain or loss is calculated as proceeds less base cost. As this is deemed to be a part disposal only part of the base cost can be brought into account. The fraction of base cost which is allowable as a deduction is A/(A+B), where A is the consideration and B is the value of the part retained.

Where the distribution is small, compared with the value of the holding in respect of which it is made, it is not treated for capital gains purposes as giving rise to a part disposal. In such a case, the amount of the distribution is deducted from any expenditure allowable as a deduction in computing a gain or loss on a subsequent disposal by the recipient. Therefore the charge is postponed until a subsequent disposal of the holding. This treatment is not compulsory: the recipient can elect to have the distribution treated as a part disposal.

HMRC automatically treats a distribution as being ''small'' if it is 5 per cent. or less than the value of the shares at the date of distribution or it is not more than £3,000 (irrespective of whether the 5 per cent. test is satisfied).

Where a distribution does not fall within the above categories, HMRC considers each case on its merits.

Section 13 Gains

This paragraph applies to any UK resident Shareholders, irrespective of domicile, whose interest (when aggregated with persons connected with them) in the chargeable gains of the Company or the Luxcos or any other non-UK company in which the Company may invest (together, the ''**non-UK Companies**'') exceeds 25% of the gain. In the event that any non-UK company would be treated as 'close' under UK tax legislation if it were resident in the UK, then part of any chargeable gain accruing to such non-UK company may be attributed to such a Shareholder and the Shareholder may (in certain circumstances) be liable to UK tax on capital gains (under section 13 Taxation of Chargeable Gains Act 1992 (''**TGCA**'')). The part of the capital gain attributed to the Shareholder corresponds to the Shareholder's proportionate interest in such non-UK Company. Subject to certain time limits, such tax will be deductible in computing any gains arising on the disposal of the Shareholder's Ordinary Shares.

Individual Shareholders who are resident but not domiciled in the UK and to whom the remittance basis of taxation applies would only be taxed on the attributed capital gain when it is remitted to the UK.

Corporate Shareholders

The following assumes that the corporate Shareholder will not be holding the investment with a view to realising trade profits under section 35 of the Corporation Tax Act 2009 (''**CTA 2009**'').

UK resident corporate Shareholders may be able to rely upon legislation in CTA 2009 which exempts certain classes of dividend and other company distributions from the charge to UK corporation tax. In particular, provided the Company meets certain conditions (which are anticipated

to be met), dividends paid by the Company to a UK resident corporate Shareholder which is not a "small company" for the purposes of section 931S CTA 2009 should not be subject to UK corporation tax.

Where a UK resident corporate Shareholder receives a capital distribution, this will be treated as a part disposal of its holding. The capital gain or loss is calculated as proceeds less base cost. As this is deemed to be a part disposal only part of the base cost can be brought into account. The fraction of base cost which is allowable as a deduction is A/(A+B), where A is the consideration and B is the value of the part retained.

Where the distribution is small, compared with the value of the holding in respect of which it is made, it is not treated for chargeable gains purposes as giving rise to a part disposal. In such a case, the amount of the distribution is deducted from any expenditure allowable as a deduction in computing a gain or loss on a subsequent disposal by the recipient. Therefore the charge is postponed until a subsequent disposal of the holding. This treatment is not compulsory: the recipient can elect to have the distribution treated as a part disposal.

HMRC automatically treats a distribution as being "small" if it is 5 per cent. or less than the value of the shares as at the date of distribution or if it is not more than £3,000 (irrespective of whether the 5 per cent. test is satisfied). Where a distribution does not fall within the above categories, HMRC considers each case on its merits.

On the basis that it is not expected that the Company will be treated as an offshore fund for the purposes of the offshore funds rules, gains on disposal of the Ordinary Shares by UK resident corporate Shareholders will be taxable as chargeable gains subject to any tax reliefs available. If the offshore funds rules do apply, such gains will be taxable as income.

If a corporate Shareholder is resident for tax purposes in a country other than the UK then it will be taxed according to the rules of that jurisdiction.

Exempt Shareholders

UK resident exempt funds will not be liable to tax on dividends paid by the Company or chargeable gains arising upon a disposal of investments held for the purposes of the Company.

Controlled foreign company rules

As it is possible that the Company will be owned by a majority of persons resident in the UK, the UK legislation applying to controlled foreign companies may apply to any corporate Shareholders who are resident in the UK. Under these rules, part of any undistributed income accruing to any non-UK company may be attributed to such a Shareholder, and may in certain circumstances be chargeable to UK corporation tax in the hands of the Shareholder. However, this will only apply if the apportionment to that Shareholder (when aggregated with persons connected or associated with them) is at least 25 per cent. of the relevant profits of the controlled foreign company.

Open Offer

HMRC's published practice is to treat a subscription for shares by an existing shareholder up to his *pro rata* entitlement pursuant to the terms of an open offer as a reorganisation of share capital such that their Existing Ordinary Shares and the New Ordinary Shares will be treated as the same asset acquired at the time the original shares were acquired, and the base cost of the original shares and the New Ordinary Shares will be spread *pro rata* across their entire holding.

Any New Ordinary Shares subscribed for in excess of the minimum entitlement under the open offer will be treated as a separate acquisition (see "Offer for Subscription" below).

Offer for Subscription and Intermediaries Offer

Where Shareholders acquire Ordinary Shares in the Company through the Offer for Subscription or the Intermediaries Offer, they will need to take into account the share identification rules in order to determine which Ordinary Shares they will be treated as disposing of on a part disposal of their shareholding.

Broadly, these rules provide that all Ordinary Shares will be treated as forming a single asset (a "**share pool**"), regardless of when the Shareholders acquired them. Subject to the exceptions described below, the base cost of the Ordinary Shares in the share pool will be the average base cost of all such Ordinary Shares. Any Ordinary Shares acquired and disposed of by Shareholders on the same day and in the same capacity will, however, be treated as though they are acquired by a single transaction and none of them will be regarded as forming part of a share pool.

Moreover, any Ordinary Shares acquired by individual Shareholders within 30 days of a disposal of any of their existing Ordinary Shares will not be regarded as forming part of the share pool and will be treated as being disposed of before the other Ordinary Shares in the share pool. Similarly, where a corporate Shareholder disposes of Ordinary Shares within 10 days of an acquisition of Ordinary Shares, the Ordinary Shares disposed of will be identified with the Ordinary Shares acquired and none of them will be regarded as forming part of a share pool.

Placing

The issue of New Ordinary Shares pursuant to the Placing will not constitute a reorganisation of the share capital of the Company for the purposes of the UK taxation of chargeable gains and, accordingly, any New Ordinary Shares so acquired will be treated as acquired as part of a separate acquisition of New Ordinary Shares.

The placing will still be subject to the share pooling rules described under the heading ''Offer for Subscription and Intermediaries Offer'' above.

Scrip Shares

On the basis of case law, UK resident Shareholders should not receive any income liable to UK income tax or corporation tax to the extent that they elect to receive Scrip Shares instead of the cash dividend. Nor should they make any disposal for chargeable gains tax purposes at the time the Scrip Shares are allotted. Instead the Scrip Shares and the original registered holding of Ordinary Shares (the ''**Original Holding**'') should be treated as a single holding acquired at the time of the Original Holding. There will be no allowable expenditure for chargeable gains tax purposes arising in respect of the Scrip Shares and the allowable expenditure arising in respect of the Original Holding will be apportioned across the Original Holding and the Scrip Shares. A disposal for chargeable gains tax purposes will only arise at the time the Shareholder subsequently disposes of the Scrip Shares or the Original Holding (a ''**Subsequent Disposal**'').

UK resident individual Shareholders may be subject to capital gains tax in respect of chargeable gains arising on a Subsequent Disposal depending on their individual circumstances. UK resident corporate Shareholders may be subject to corporation tax in respect of chargeable gains arising on a Subsequent Disposal depending on their individual circumstances. UK resident exempt funds will not be liable to tax on chargeable gains arising upon a Subsequent Disposal of investments held for the purposes of the fund.

Stamp Duty and Stamp Duty Reserve Tax (''SDRT'')

The following comments are intended as a guide to the general stamp duty and SDRT position and do not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depository arrangements or clearance services, to whom special rules apply.

No Guernsey or UK stamp duty or SDRT will be payable on the issue of New Ordinary Shares or the Scrip Shares.

UK stamp duty (at the rate of 0.5 per cent. of the amount of the value of the consideration for the transfer rounded up where necessary to the nearest £5) is payable on any instrument of transfer of Ordinary Shares executed within the UK other than when the value of the consideration for the transfer is less than £1,000 and the transfer is not part of a larger transaction. There may, however, be no practical necessity to pay such stamp duty as UK stamp duty is not an assessable tax. However, an instrument of transfer which is not duly stamped cannot be used for any purpose in the UK; for example, it will be inadmissible in evidence in civil proceedings in a UK court. Provided that there is no register of the Company kept in the UK, any agreement to transfer Ordinary Shares will not be subject to UK SDRT.

ISAs and SIPPs

It is expected that the New Ordinary Shares will be eligible for inclusion in ISAs (subject to applicable subscription limits) provided that they have been acquired by purchase in the market (which will include any New Ordinary Shares acquired directly under the Open Offer, Offer for Subscription and Intermediaries Offer but not any New Ordinary Shares acquired directly under the Placing) and that they will not be taxable for the purposes of Investment-Regulated Pension Schemes (including schemes formerly known as SIPPs).

PART IX

FINANCIAL INFORMATION ON THE COMPANY

1. Statutory accounts for financial periods ended 31 March 2014, 31 March 2015 and 31 March 2016

Statutory accounts of the Company prepared in accordance with International Financial Reporting Standards for the financial years ended 31 March 2014, 31 March 2015 and 31 March 2016, in respect of which the Company's auditors, KPMG Channel Islands Limited of St. Peter Port, Guernsey made unqualified reports, and such reports have been delivered to the GFSC.

2. Published report and accounts for financial periods ended 31 March 2014, 31 March 2015, 31 March 2016 and 30 September 2016

Historical financial information

The published annual report and audited accounts of the Company for the financial years ended 31 March 2014, 31 March 2015 and 31 March 2016, as well as the unaudited interim reports for the six month periods ended 30 September 2015 and 30 September 2016 (all of which have been incorporated in this Prospectus by reference and the parts of these documents that are not referred to in this Part IX are not relevant to investors) included, on the pages specified in the table below, the following information:

Nature of information	For the six month period ended 30 Sept 2016 Page No(s)	For the year ended 31 March 2016 Page No(s)	For the six month period ended 30 Sept 2015 Page No(s)	For the year ended 31 March 2015 Page No(s)	For the year ended 31 March 2014 Page No(s)
Consolidated income statement	31	82	29	80	65
Consolidated balance sheet	32	83	30	81	66
Consolidated cash flow statement	34	85	32	83	68
Consolidated statement of changes in equity	33	84	31	82	67
Accounting policies	35-39	86-89	33	84-87	69-77
Notes to the financial statements	35-47	86-114	33-41	84-112	69-104
Audit report	n/a	80-81	n/a	78-79	62-64
Independent review report	30	n/a	28	n/a	n/a
Unaudited results[40]	20-27	n/a	22-25	n/a	n/a
Portfolio valuation	13-17	26-32	14-18	26-33	26-30

40 The unaudited results set out in the unaudited interim report for the six month period ended 30 September 2015 are reported on an IFRS basis. The unaudited results set out in the interim report for the six month period to 30 September 2016 are reported on an investment basis, consolidated basis and IFRS basis.

3. Selected financial information

The key figures that summarise the financial condition of the Company in respect of the financial years ended 31 March 2014, 31 March 2015, and 31 March 2016, and the six month periods to 30 September 2015 and 30 September 2016, which have been extracted directly on a straightforward basis from the historical financial information referred to in paragraph 2.1 above of this Part IX are set out in the following table:

Net asset values	For the six month period ended 30 Sept 2016	For the year ended 31 March 2016	For the six month period ended 30 September 2015	For the year ended 31 March 2015	For the year ended 31 March 2014
Net assets (£m)	2,123.4	1,973.9	1,849.7	1,732.9	1,529.5
Net assets per ordinary share (p)	145.7	142.2	139.1	136.7	126.7
Net asset value per ordinary share (post distribution) (p)	143.8	140.3	137.2	134.8	123.1

Results on an IFRS basis	For the six month period ended 30 Sept 2016	For the year ended 31 March 2016	For the six month period ended 30 Sept 2015	For the year ended 31 March 2015	For the year ended 31 March 2014
Total income (£m)[41]	86.2	182.9	84.4	253.6	175.7
Profit before net finance costs and tax (£m)	85.3	159.5	71.5	233.1	149.7
Profit before tax (£m)	85.3	157.4	71.7	231.0	153.8
Earnings per share (basic and diluted) (p)	6.1	11.9	5.6	18.6	13.1
Shareholders' equity at the relevant date	2,123.4	1,973.9	1,849.7	1,732.9	1,529.5

41 Total income consists of investment income and finance income.

4. Operating and financial review

The published annual reports and audited accounts of the Company for the financial years ended 31 March 2014, 31 March 2015 and 31 March 2016, as well as the unaudited interim reports for the six month periods ended 30 September 2015 and 30 September 2016 included, on the pages specified in the table below (which have been incorporated in this Prospectus by reference and the parts of these documents that are not referred to in this Part IX are not relevant to investors), descriptions of the Company's financial condition (in both capital and revenue terms), changes in its financial condition and details of the Group's portfolio of investments for each of those periods.

	As at 30 Sept 2016 Page No(s)	As at 31 March 2016 Page No(s)	As at 30 Sept 2015 Page No(s)	As at 31 March 2015 Page No(s)	As at 31 March 2014 Page No(s)
Chairman's Statement	4-5	3-6	4-6	4-7	4-6
Investment Adviser's Report	11-18	n/a	12-20	n/a	n/a
Report of the Directors	n/a	56-58	n/a	56-58	48-49

5. Availability of annual report and audited accounts for inspection

Copies of the published annual report and audited accounts of the Company for the financial years ended 31 March 2014, 31 March 2015 and 31 March 2016, as well as the unaudited interim reports for the six month periods ended 30 September 2015 and 30 September 2016, are available for inspection at the addresses set out in Part X of this Prospectus and on the Company's website, *www.hicl.com*.

The last year of audited information is the financial period ended 31 March 2016, which is less than 15 months prior to the publication of this Prospectus.

6. No significant change in financial position

Save for the completion of nine acquisitions for consideration, in aggregate, of £22.7 million and €108.3 million, one committed acquisition for consideration of US$166 million[42], the payment of the second quarterly interim dividend of 1.91 pence on 30 December 2016 and the declaration of the third interim quarterly dividend of 1.91 pence on 22 February 2017, there has been no significant change in the trading or financial position of the Group since 30 September 2016, being the end of the last financial period for which interim financial information has been published.

On 2 February 2017, the Company announced, via an RNS, the unaudited NAV per Ordinary Share of the Company as at 31 December 2016 was 147.4 pence, a 1.7 pence uplift from 30 September 2016. This is not considered a significant change in this context.

7. Working capital

In the Company's opinion, the Group has sufficient working capital for its present requirements, that is, for at least the 12 months following the date of this Prospectus.

8. Related party transactions

The Company has entered into the following related party transactions in the period covered by the historical financial information set out in Part IX of this Prospectus or the period between the latest date of such historical financial information and the date of this Prospectus:

42 The nine acquisitions referred to are:
1. a 20.4% interest in Bangor and Nendrum Schools,
2. a 25.5% interest in Salford Schools,
3. a 25.5% interest in East Ayrshire Schools,
4. a 25.5% interest in North Ayrshire Schools,
5. an incremental interest of 25.5% in Manchester School,
6. an incremental interest of 25.5% in Cork School of Music,
7. a 20% interest in the A9 Gaasperdammerweg Road Project,
8. an incremental 25% interest in the Zaanstad Penitentiary Project,
9. a 13.8% interest in the A63 Motorway in France,

and the one committed acquisition referred to is the Committed Investment (the Northwest Parkway toll road). Further details of each of these acquisitions are set out in Part I of this Prospectus.

a) in May 2013, the Group completed the acquisition of 50% of the equity and loanstock in the University of Sheffield project for a consideration of £20.8 million from Fund II;

b) in May 2014, the Group acquired a 5.85% equity and loan note interest in the AquaSure Desalination PPP project, for a consideration of AUD84.5 million from the InfraRed Environmental Infrastructure Fund;

c) in May 2014, the Group completed the acquisition of 29.2% equity and 35% loan in the Bradford BSF Phase 1 project for a consideration of £6.5 million from Fund II; and

d) in October 2015, the Group acquired 100% equity and loan note interest in the Royal Canadian Mounted Police 'E' Division Headquarters P3 project, of which 99.9% was acquired for a consideration of approximately CAD53 million from Fund III.

Fund II, Fund III and InfraRed Environmental Infrastructure Fund are investment funds managed by the Investment Adviser. All of the above transactions were undertaken on an arm's length basis.

9. Capitalisation and indebtedness

The following tables show the capitalisation and indebtedness of the Group as at 30 September 2016 and the indebtedness of the Group as at 31 December 2016. The figures for capitalisation and indebtedness as at 30 September 2016 have been extracted from the unaudited financial statements of the Group for the six months ended 30 September 2016. There has been no material change in the capitalisation of the Group since 30 September 2016, save for the issue of 1.2 million Ordinary Shares pursuant to the scrip dividend alternative for the period ended 31 December 2016, as a result of which the share premium figure in the table below has increased from £1,493.3 million to £1,495.3 million, on both an investment and consolidated IFRS basis.

The figures in the indebtedness table as at 31 December 2016 have been extracted from the underlying accounting records of the Group as at 31 December 2016, and show the external net financial indebtedness of the Group, and exclude balances between entities that comprise the Group.

Total capitalisation and indebtedness as at 30 September 2016[43]

	Investment basis[44] (£m)	Adjustments (£m)	IFRS basis (£m)
Total Current debt			
Loans and Borrowing			
Secured	—	—	—
Unguaranteed/Unsecured	—	—	—
Total Non-Current debt (excluding current portion of long-term debt)	—	—	—
Loans and Borrowing			
Secured	—	—	—
Unguaranteed/Unsecured	—	—	—
Other financial liabilities (fair value of derivatives)[45]	**(4.2)**	**4.2**	—
Total indebtedness	**(4.2)**	**4.2**	—
Cash and cash equivalents	83.2	(82.6)	0.6
Total net indebtedness	**79.0**	**(78.4)**	**0.6**
Shareholders' equity (excluding retained reserves)			
Share capital[46]	0.1	—	0.1
Share premium	1,493.2	—	1,493.2
Minority interests	—	—	—
Total capitalisation	**1,493.3**	—	**1,493.3**

43 As at 30 September 2016, the Group had £133.1 million of commitments for future project investments and a contingent commitment of €16.8 million to acquire a further 32% equity and loanstock interest in the N17/N18 Project from existing co-shareholders which is currently expected to occur in 2019, following completion of construction.

44 In order to provide Shareholders with a more meaningful representation of the Group's capitalisation and indebtedness, coupled with greater transparency in the Group's capacity for investment and ability to make distributions, the results have been restated and set out in the tables below. The Investment basis figures consolidate the Holding Entities to present the financial statements in the same manner as in the Annual Report & Consolidated Financial Statements for the financial year ended 31 March 2016.

45 Other financial liabilities (fair value of derivatives) relate to forward foreign exchange contracts entered into by the Partnership in order to manage foreign exchange risk from non-Sterling assets.

46 Share Capital is £145,771 and is made up of 1,457,706,805 issued and fully paid ordinary shares of 0.01p each.

Total indebtedness as at 31 December 2016[47]

	Investment basis[48] (£m)	Adjustments (£m)	IFRS basis (£m)
Total Current debt			
Loans and Borrowing	—	—	—
Secured	—	—	—
Unguaranteed/Unsecured	—	—	—
Total Non-Current debt (excluding current portion of long-term debt)	—	—	—
Loans and Borrowing			
Secured	—	—	—
Unguaranteed/Unsecured	—	—	—
Other financial liabilities (fair value of derivatives)[49]	(3.2)	3.2	—
Total indebtedness	**(3.2)**	**3.2**	**—**
Other financial assets (fair value of derivatives)[50]	1.9	1.9	—
Cash and cash equivalents	36.7	(36.2)	0.4
Total net indebtedness	**35.4**	**(34.9)**	**0.4**

47 As at 31 December 2016, the Group had £241.6 million of commitments (including the Committed Investment) for future project investments and a contingent commitment of €16.8 million to acquire a further 32% equity and loanstock interest in the N17/N18 Project from existing co-shareholders which is currently expected to occur in 2019, following completion of construction.

48 In order to provide Shareholders with a more meaningful representation of the Group's capitalisation and indebtedness, coupled with greater transparency in the Group's capacity for investment and ability to make distributions, the results have been restated and set out in the tables below. The Investment basis figures consolidate the Holding Entities to present the financial statements in the same manner as in the Annual Report & Consolidated Financial Statements for the financial year ended 31 March 2016.

49 Other financial liabilities (fair value of derivatives) relate to forward foreign exchange contracts entered into by the Partnership in order to manage foreign exchange risk from non-Sterling assets.

50 Other financial assets (fair value of derivatives) relate to forward foreign exchange contracts entered into by the Partnership in order to manage foreign exchange risk from non-Sterling assets.

PART X

ADDITIONAL INFORMATION

1. The Company

The Company was incorporated with limited liability in Guernsey as a closed-ended investment company on 11 January 2006 with registered number 44185.

The registered office of the Company is East Wing, Trafalgar Court, Les Banques, St. Peter Port, Guernsey, Channel Islands GY1 3PP (telephone: +44 (0)1481 749 700). The Company operates under the Law and the ordinances and regulations made thereunder.

The Company's accounting periods end on 31 March of each year.

The Company is an Authorised Closed-Ended Collective Investment Scheme domiciled in Guernsey under the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and the Authorised Closed-Ended Investment Schemes Rules 2008 issued by the GFSC.

2. Information on the Company's Share Capital

The authorised share capital of the Company upon incorporation was £100,000 divided into 100 management shares of 0.01 pence each and 999,999,900 unclassified shares of 0.01 pence each. Two management shares were issued at par and these were registered in the name of First Ovalap Limited and Second Ovalap Limited respectively. Both such management shares were held for and on behalf of a Guernsey charitable trust. An extraordinary general meeting of the Company was held on 23 March 2012 at which, *inter alia*, a special resolution to increase the authorised share capital of the Company to £200,000 divided into 100 management shares of 0.01 pence each and 1,999,999,900 unclassified shares of 0.01 pence each was approved by Shareholders. In 2012, the terms of the management shares were amended so that such shares became redeemable and subsequently, at the annual general meeting held on 25 July 2012, Shareholders approved a special resolution to redeem (at their par value of 0.01 pence each) and cancel the two issued management shares.

On 21 March 2006, the holders of the two issued management shares in the Company passed a special resolution approving the cancellation of the whole amount standing to the credit of the Company's share premium account following completion of the issue of Ordinary Shares pursuant to the IPO (less any issue expenses set off against the share premium account). On 21 July 2006, an order was made by the Royal Court of Guernsey confirming the reduction of the share premium account.

In addition to the issue (and redemption) of two management shares referred to above, the Company has issued:

i) upon the IPO, 250,000,000 unclassified shares as Ordinary Shares on 26 March 2006;

ii) under a C Share issue on 21 May 2008, 103,600,000 C Shares, which were converted into 84,361,480 Ordinary Shares on 4 June 2008;

iii) under a C Share issue on 16 December 2009, 110,000,000 C Shares, which were converted into 71,856,000 Ordinary Shares on 15 January 2010;

iv) under a C Share issue on 15 December 2010, 80,000,000 C Shares, which were converted into 97,350,000 Ordinary Shares on 13 January 2011;

v) under a C Share issue on 30 March 2012, 250,000,000 C Shares, which were converted into 218,050,000 Ordinary Shares on 27 April 2012;

vi) under an issue of Ordinary Shares on 27 March 2013, 140,000,000 Ordinary Shares;

vii) by virtue of scrip dividend alternatives up to and including the date of this Prospectus, 33,164,418 Ordinary Shares in aggregate;

viii) by way of tap issues up to and including the date of this Prospectus, 564,161,765 Ordinary Shares in aggregate.

The total number of Ordinary Shares in issue as at the date of this Prospectus was 1,458,943,663 all of which are fully paid up.

3. Holding Entities: the Luxcos

As explained in Part II of this Prospectus, the Company holds its assets through the Luxcos, which are two Luxembourg companies each being a Sàrl (broadly the equivalent of a private company). Luxco 2 holds the limited partnership interest in the Partnership.

4. The Partnership

The Partnership was established on 11 January 2006 as a limited partnership under the Limited Partnerships Act 1907 of the United Kingdom with the name Infrastructure Investments LP and with registered number LP11056. The principal place of business of the Partnership is at 12 Charles II Street, London, SW1Y 4QU. The Partnership is governed by the Limited Partnership Agreement.

The Operator's appointment as the operator of the Partnership is currently on the terms of an Operator Letter dated 14 May 2014. The management and operation of the Partnership on the intended basis amounts to the regulated activity of operating a collective investment scheme under UK legislation. In order to lawfully carry on a regulated activity in the United Kingdom, a person must be authorised by the FCA to carry on the activity in question unless an exemption applies.

As such, the Operator, which has been authorised by the FCA to carry on, amongst other things, the regulated activity of operating a collective investment scheme, has been appointed as Operator to manage and operate the Partnership in accordance with the investment guidelines that are adopted by the Directors from time to time. Under the Limited Partnership Agreement, the Operator has full discretion to acquire, dispose of and manage the assets of the Partnership, subject to investment guidelines which reflect the investment strategy, policy and restrictions applying to the Group as set out in this Prospectus. The Operator may effect borrowings for the Partnership within limits prescribed by the limited partner.

The Partnership is not an alternative investment fund for the purposes of the AIFM Directive, as it is not permitted to raise capital from any investor other than Luxco 2 and it has been established for the purposes of and as a means of indirectly investing capital raised by the Company.

The Limited Partnership Agreement provides that the General Partner, the Operator, their associates, directors, officers, partners, agents, consultants, delegates and employees will not be liable for losses incurred by the Partnership in the absence of their gross negligence, fraud, gross professional misconduct, wilful default, wilful illegal act or any conscious and material breach of their respective obligations. Each of the General Partner, the Operator, their associates, directors, officers, partners, agents, consultants delegates and employees are entitled to be indemnified out of the Partnership's assets against claims, costs, damages or expenses incurred or threatened by reason of their acting as such, subject to the same exceptions.

The Partnership does not have a fixed life. If the Operator ceases to be operator, the Company will, under the terms of an option agreement between the Company and the Operator, have the option to buy the entire share capital of the General Partner from Infrared (Infrastructure) Capital Partners Limited, and Infrared (Infrastructure) Capital Partners Limited will have a corresponding option to sell such capital to the Company, in each case for a nominal consideration.

5. Restrictions under the Listing Rules

In accordance with the requirements of the UK Listing Authority, the Company has adopted the policies set out below:

i) the Company's primary objective is investing and managing its assets with a view to spreading or otherwise managing investment risk. The Company must, at all times, invest and manage its assets in a way which is in accordance with its investment policy;

ii) the Company will not conduct a trading activity which is significant in the context of the Group as a whole. The Company will not cross-finance businesses forming part of the Group's investment portfolio; and

iii) no more than 10 per cent., in aggregate, of the Company's assets will be invested in other listed closed-ended investment funds.

The Listing Rules may be amended or replaced over time. To the extent that the above investment restrictions are no longer imposed under the Listing Rules, those investment restrictions shall cease to apply to the Company.

In the event of any breach of the investment restrictions applicable to the Company, Shareholders will be informed of the actions to be taken by the Company by notice sent to the registered addresses of the Shareholders in accordance with the Articles or by an announcement issued through a Regulatory Information Service.

6. Directors' and other interests

As at the date of this Prospectus, the Directors and their connected persons hold the following Ordinary Shares in the Company:

Ian Russell	39,745 Ordinary Shares
Frank Nelson	25,000 Ordinary Shares
Sarah Evans	251,496 Ordinary Shares
Sally-Ann Farnon	21,683 Ordinary Shares
Simon Holden	0 Ordinary Shares
Kenneth D Reid	0 Ordinary Shares
Chris Russell	93,895 Ordinary Shares

As at the date of this Prospectus, the Directors intend to subscribe for, in aggregate, 115,000 New Ordinary Shares pursuant to the Issue.

The Directors are remunerated for their services. In respect of the Company's accounting period ended on 31 March 2016, Mr I Russell received an annual fee of £41,958, Mr F Nelson received a fee of £38,667, Mrs S. Evans received a fee of £47,083, Mrs S Farnon received a fee of £41,167, Mr C. Russell received a fee of £38,917, Mr J Hallam (retired 30 June 2016) received a fee of £42,333 and Mr G Picken (retired 30 June 2016) received a fee of £61,875. Due to the changes in roles resulting from succession planning in the year ended 31 March 2016, Directors accrued a blended entitlement to the fees, pro rated based on the time each Director performed in respect of each role.

It is the current practice that the Director (or, for the financial year ended on 31 March 2016, Directors on a *pro rata* basis) who also acts as director of each of the Luxcos receives an additional £5,000 per annum for such role.

In respect of the Company's accounting period ending on 31 March 2017, Mr I Russell (the Chairman) is entitled to an annual fee of £67,000, Mr F Nelson (the Senior Independent Director) is entitled to a fee of £45,000, Mrs S Evans is entitled to a fee of £49,000, Mrs S Farnon is entitled to a fee of £45,000, Mr S Holden is entitled to a fee of £30,750[51] (as appointed on 1 July 2016), Mr K Reid is entitled to a fee of £23,916.67[52] (as appointed on 1 September 2016) and Mr C. Russell is entitled to a fee of £46,000. The aggregate remuneration of the Directors shall not exceed £450,000 per annum (or such sum as the Company in general meeting shall determine). In addition, each Director is entitled to a payment of £10,000 in connection with additional duties performed in relation to the Issue. All such fees are payable out of the assets of the Company. No Director has waived or agreed to waive future emoluments nor has any Director waived any such emolument during the current financial year. No commissions or performance related payments have been or will be made to the Directors by the Company.

No Director has a service contract with the Company, nor are any such contracts proposed. The Directors were confirmed as non-executive directors by the Ordinary Shareholders at the annual general meeting following their appointment, and their appointment is subject to the Articles. The Directors' appointments can be terminated in accordance with the Articles without notice and without compensation (but without prejudice to any claim for damages for breach of contract of service).

No loan has been granted to, nor any guarantee provided for the benefit of, any Director by the Company.

There are no conflicts of interest between any of the duties owed to the Company by any of the Directors and each of the Directors' private interests and other duties.

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51 Pro-rata amount for period from appointment 1 July 2016 to 31 March 2017.

52 Pro-rata amount for period from appointment 1 September 2016 to 31 March 2017.

No amount has been set aside or accrued by the Company or its subsidiaries to provide pension, retirement or other benefits.

7. Other directorships

In addition to their directorships of the Company and other companies in the Group, the Directors are, or have been, members of the administrative, management or supervisory bodies or partners of the following companies or partnerships, at any time in the previous five years:

Name	Current Directorships and Partnerships	Past Directorships and Partnerships
Ian Russell *(Chairman)*	Aberdeen Diversified Income and Growth Trust Disabled Peoples Employment Corporation (GB) Ltd Scottish Futures Trust The Mercantile Investment Trust plc The Renaissance Club at Archerfield LLP	Advanced Power AG British Polythene Industries plc Business in the Community Johnston Press plc Mercantile Management Limited
Frank Nelson (*Senior Independent Director)*	Eurocell plc McCarthy & Stone Plc Telford Homes plc	Bardon 22 Limited Cedar Homes Securities Limited Chancery Court Business Centre Limited Enhance Interiors Limited Fairfield Developments Limited Friern Park Limited Galliford Brick Factors Galliford Try Construction and Investment Holdings Galliford Try Employment Limited Galliford Try Investments Galliford Try PLC Galliford Try Properties Galliford Try Services Limited International Inspection Services LLC Lamprell PLC Linden Holdings Linden Limited M&S MipCoS.a.r.l. McCarthy & Stone (Developments) Limited McCarthy & Stone Retirement Lifestyles Limited Questsun Limited Thames Valley Charitable Housing Association Ltd Thames Valley Housing Association Limited The Piper Building Limited Try Accord Limited Try Construction Limited Try Group Limited Try Homes Central Limited Try Homes Hastings Limited Try Homes Limited Try Homes Southern Limited Twomill Limited
Sarah Evans	Apax Global Alpha Limited Association of Investment Companies Ltd Crystal Amber Fund Limited Evans Property Holdings Ltd	Celadon PCC Ltd CQS Diversified Fund Limited Harbourvest Senior Loans Europe Limited HICL Infrastructure 1 S.a.r.l

Name	Current Directorships and Partnerships	Past Directorships and Partnerships
	La Bigoterie Holdings Ltd NB Distressed Debt Investment Fund Limited Real Estate Credit Investments PCC Limited Ruffer Investment Company Limited	HICL Infrastructure 2 S.a.r.l JPMorgan Senior Secured Loan Fund Limited Northern Trust (Guernsey) Limited Orange Senior Loans 1 S.a.r.l Orange Senior Loans 2 S.a.r.l Orange Senior Loans 3 S.a.r.l
Sally-Ann Farnon	Apax Global Alpha Limited Baubigny Garage Limited C&E Laundrettes Limited Breedon Group PLC Little Lucy Limited Muffin Limited Ravenscroft Limited Standard Life Investment Property & Income Trust Limited Threadneedle UK Select Trust Limited Timbertops Limited	Bailiwick Investments Limited Cenkos Investment Management Limited Dexion Absolute Limited Guernsey Financial Services Commission Guernsey Sports Commission LBG Interceptor Holdings Limited L'Eree Holdings Limited Legis Group Holdings Limited New River Retail Limited Rapid Realisations Limited
Simon Holden	Belasko Administration Limited Change Capital Investment Management (Guernsey) II Limited JamesCo 750 LSREF3 Hotels (London PR) Limited Name withheld – under terms of NDA pending listing Permira (Europe) Limited Permira Europe III GP Limited Permira IV GP Limited Permira IV Managers Limited Permira V GP Limited Permira VI GP Limited Project Aurora Ltd.	Elli Investments Ltd. Cresco Capital Group Fund 1 Change Capital Investment Management (Guernsey) III Limited
Kenneth D Reid	Sicon Limited	
Chris Russell	Absolute Return Objective SA Dawnfield Holdings Ltd Deska Holdings Ltd E.I.P. China Opportunities Fund SPC Enhanced Index Funds plc F&C Commercial Property Trust Ltd Genki Holdings Ltd Hanseatic Asset Management LBG Leonard Crawley Limited Lothian Capital Limited Macau Property Opportunities Fund Limited. Marina View Management Ltd Prime Four Limited Royal Yacht Squadron Racing limited Ruffer Investment Company Ltd Salters Management Company Ltd Schroders (C.I.) Ltd. SCP Estate Holdings Limited SCP Estate Limited TISEF Ltd Winchester Burma Limited	Association of Investment Companies Ltd JPMorgan Fleming Japan Smaller Companies Investment Trust plc Korea Fund Inc

As at the date of this Prospectus, none of the Directors:

i) has any convictions in relation to fraudulent offences for at least the previous five years;

ii) has been subject to any official public incrimination or sanction of him or her by any statutory or regulatory authority (including any designated professional body) nor has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer, for at least the previous five years; or

iii) has been bankrupt.

None of the Directors has been a director of any company or been a member of the administrative management or supervisory body of an issuer or a senior manager of an issuer at the time of any bankruptcy, receivership or liquidation for at least the previous five years other than:

i) Sally-Ann Farnon has been a director of Dexion Absolute Limited which went into solvent voluntary liquidation during 2016;

ii) Simon Holden has been a director of Change Capital Investment Management (Guernsey) III Limited which went into solvent voluntary liquidation in the last five years; and

iii) Sarah Evans has been a director of the following companies, each of which went into solvent voluntary liquidation in the last five years: Harbourvest Senior Loans Europe Limited, and its subsidiaries, Orange Senior Loans 1 S.a.r.l, Orange Senior Loans 2 S.a.r.l and Orange Senior Loans 3 S.a.r.l; CQS Diversified Fund Limited; JPMorgan Senior Secured Loan Fund Limited; and Celadon PCC Limited.

The Company maintains directors' and officers' liability insurance on behalf of the Directors at the expense of the Company.

The business address of the Directors is East Wing, Trafalgar Court, Les Banques, St Peter Port, GY1 3PP, Guernsey.

8. Major interests

In so far as is known to the Company, as at the close of business on 21 February 2017 (the latest practicable date prior to publication of this Prospectus), the following registered holdings representing a direct or indirect interest of 5 per cent. or more of the Company's issued share capital were recorded on the Company's share register:

	Number of Ordinary Shares Held	Percentage Held
Newton Investment Management Limited	138,846,056	9.52
Schroder Investment Management Limited	120,381,959	8.25
Investec Wealth and Investment Limited	73,488,215	5.04

Those interested, directly or indirectly, in five per cent. or more of the issued share capital of the Company do not now and, following the Issue, will not have different voting rights from other Shareholders.

The Company is not aware of any person who directly or indirectly, jointly or severally, will exercise or could exercise control over the Company immediately following the Issue.

The Company is not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.

As at 21 February 2017 (the latest practicable date prior to publication of this Prospectus), the Investment Adviser, the Investment Adviser's staff, and their connected persons, hold in aggregate approximately 3.2 million Ordinary Shares.

As at the date of this Prospectus, the Directors intend to subscribe for, in aggregate, 115,000 New Ordinary Shares pursuant to the Issue. As at the date of this Prospectus, insofar as is known to the Company, no person intends to subscribe for more than 5 per cent. of the Issue.

9. Memorandum

The Memorandum of the Company provides that the objects of the Company include carrying on business as an investment company. The objects of the Company are set out in full in clause 4 of

the Memorandum, a copy of which is available for inspection at the addresses specified in section 15 of this Part X.

10. Articles

The following are excerpts from or summaries of the Articles of the Company and are set out in full in the Articles.

Votes of members

Subject to Articles 11, 12(6)a) and 162(4) (and to the restrictions referred to below) and subject to any special rights or restrictions for the time being attached to any class of shares, every member (excluding the holders of treasury shares) present in person or by proxy or (being a corporation) present by a duly authorised representative at a general meeting has, on a show of hands, one vote and, on a poll, subject to any special voting powers or restrictions, one vote for every Ordinary Share or fraction of an Ordinary Share held by him.

Shares

Ordinary Shares of 0.01p each

(i) Income

Holders of Ordinary Shares are entitled to participate in any dividends or other distributions of the Company available for dividend or distribution and resolved to be distributed in respect of any accounting period or any other income right to participate therein.

(ii) Capital

Holders of ordinary shares are entitled (i) on each redemption day, to offer ordinary shares for redemption at a value equal to the redemption value, subject to any limits set out in the Articles or this Prospectus, and (ii) on the winding-up of the Company to receive out of the assets of the Company available for distribution in the manner described in further detail in paragraph below headed ''*Winding-up*'' of this section 10 of Part X.

(iii) Redemption

The Directors have the power (but no obligation) to redeem some or all of the Ordinary Shares on dates determined in their discretion (each a ''Redemption Day''). The Directors are entitled in their absolute discretion to determine the procedures for redemption of Ordinary Shares on and after a Redemption Day (subject to the facilities and requirements of the Uncertificated System). Without prejudice to the foregoing, the Company shall notify Shareholders of the number of Ordinary Shares to be redeemed (if any) and the discount to be applied to the Net Asset Value of the Ordinary Shares in arriving at the redemption price.

Payment of the redemption price in respect of any Ordinary Shares in certificated form may be made by cheque or warrant made payable to the relevant Shareholders or, in the case of joint Shareholders, to such relevant joint Shareholders or to such person or persons as the relevant Shareholder or all the relevant joint Shareholders may in writing direct and sent (at the risk of the Shareholder or Shareholders) to the address specified by that Shareholder (or, if none is specified, to the address of the Shareholder as entered on the register, or in the case of joint Shareholders, to that one of the relevant joint Shareholders who is first named on the register in respect of such Ordinary Shares). Due payment of the cheque or warrant will be in satisfaction of the redemption price represented thereby. The Company may alternatively make such payment by electronic transfer to a bank account nominated by the relevant Shareholder or all the relevant joint Shareholders and notified in writing to the Registrar not less than three Business Days before the Redemption Day, at the Shareholder's or Shareholders' expense.

Each payment in respect of Ordinary Shares held in uncertificated form (that is, in CREST) will be made by electronic transmission to an account in accordance with the mandate instruction in writing acceptable to the Company given by the relevant Shareholder or all the relevant Shareholders.

Deferred Shares of 0.01p each

The holder or holders of deferred shares will not have the right to receive notice of and to attend general meetings of the Company and will not be transferrable. Deferred shares carry no right to dividends. The deferred shares may be issued in order to facilitate the conversion of C shares in accordance with the Articles. On a winding-up, holders of deferred shares shall have no rights to

the capital or assets of the Company, but will be entitled to a return of their nominal value. No deferred shares are currently in issue.

C Shares

In order to prevent the issue of further shares diluting existing Shareholders' share of the NAV of the Company, if the Directors consider it appropriate they may issue further shares as ''C shares''. C shares constitute a temporary and separate class of shares which are issued at a fixed price determined by the Company. The issue proceeds from the issue of C Shares will be invested in investments which initially will be attributed solely to the C Shares. Once the investments have been made, the C Shares will be converted into Ordinary Shares on a basis which reflects the respective net assets per share represented by the two classes of shares.

Dividends and distributions

Subject to compliance with the Law, the Board may at any time declare and pay such dividends and distributions as appear to be justified by the position of the Company. The Board may also declare and pay any fixed dividend which is payable on any shares of the Company half-yearly or otherwise on fixed dates whenever the position in the opinion of the Board so justifies.

The Company in general meeting may declare a dividend but no dividend shall exceed the amount recommended by the Directors or permitted by Law.

Subject to Section 304 of the Law, the Directors may at any time declare and pay such interim dividends as appear to be justified by the position of the Company.

The method of payment of any dividend or distribution shall be at the discretion of the Board.

No dividend or distribution or other monies payable on or in respect of a share shall bear interest against the Company.

All unclaimed dividends or distributions may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. Any dividend or distribution unclaimed after a period of 12 years from the date of declaration or the date payment of such dividend or distribution became due shall be forfeited and shall revert to the Company.

The Directors are empowered to create reserves before recommending or declaring any dividend. The Directors may also carry forward any profits or other sums which they think prudent not to distribute by dividend.

Scrip Dividend

The Directors may, if authorised by an ordinary resolution, offer any holders of any particular class of shares (excluding treasury shares) the right to elect to receive further shares (whether or not of that class), credited as fully paid, instead of cash in respect of all or part of any dividend.

The value of the further shares shall be calculated by reference to the average of the middle market quotations for a fully paid share of the relevant class, as shown in the Official List, for the day on which such shares are first quoted ''ex'' the relevant dividend and the four subsequent dealing days or in such other manner as the Directors may decide.

The Directors shall give notice to the members of their rights of election in respect of the scrip dividend and shall specify the procedure to be followed in order to make an election.

The further shares so allotted shall rank *pari passu* in all respects with the fully paid shares of the same class then in issue except as regards participation in the relevant dividend.

The Board may from time to time establish or vary a procedure for election mandates, under which a holder of shares may, in respect of any future dividends for which a right of election is offered, elect to receive shares in lieu of such dividend on the terms of such mandate.

Issue of shares

Without prejudice to any special rights conferred on the holders of any existing shares or class of shares, any share in the Company may be issued with such preferred, deferred or other special rights or restrictions whether in regard to dividend, return of capital, voting or otherwise as the Company may from time to time by ordinary resolution determine or, subject to and in default of such resolution, as the Directors may determine.

Subject to the Articles, the unissued shares in the capital of the Company shall be at the disposal of the Directors, and they may issue, allot, grant options over or otherwise dispose of or deal with

them to such persons, and generally on such terms and conditions and in such manner and at such times as they determine and so that the amount payable on application on each share shall be fixed by the Directors.

The Company may on any issue of shares pay such commission as may be fixed by the Directors. The Company may also pay brokerage charges.

Pre-emption rights

If the Company proposes to allot any further ordinary shares or C shares for cash ("**Equity Shares**") or to sell treasury shares for cash (together with the Equity Shares, the "**Relevant Securities**"), those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the existing holders (as at a record date selected by the Directors (at their absolute discretion)) of that class of shares (if any) on the same terms, and at the same price, as those Relevant Securities are proposed to be offered to other persons, on a *pro rata* basis to the number of shares of the relevant class held by those holders (as nearly as possible without involving fractions). The offer will be in writing, and give details of the number and subscription price of the Relevant Securities. The Company will not be required to make any offer of Ordinary Shares allotted by reason of or in connection with a conversion of C Shares or Ordinary Shares then in issue.

These provisions may be modified or excluded in relation to any proposed allotment by special resolution of the shareholders. These provisions will not apply to scrip dividends effected in accordance with the Articles.

Variation of rights

If at any time the share capital of the Company is divided into different classes of share, the rights attached to any class of shares may (unless otherwise provided by the terms of issue and excluding treasury shares) be varied with the consent in writing of the holders of three-quarters of the issued shares of that class or with the sanction of a special resolution of the holders of such shares. The quorum for a variation of class rights meeting is two persons holding at least one-third of the voting rights of the class in question or, in the case of an adjourned meeting, one person holding shares of the relevant class. Every holder of shares of the class concerned shall be entitled at such meeting to one vote for every share held by him on a poll. The rights conferred upon the holders of any shares or class of shares issued with preferred, deferred or other rights shall not be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith or the exercise of any power under the disclosure provisions requiring shareholders to disclose an interest in the Company's shares as set out in the Articles.

Restriction on voting

A member of the Company shall not, if the Directors so determine, be entitled in respect of any share held by him to attend or vote (either personally or by corporate representative or by proxy) at any general meeting or separate class meeting of the Company or to exercise any other right conferred by membership in relation to any such meeting if:

i) he or any other person appearing to be interested in such shares has failed to comply with a notice requiring the disclosure of members' interests within 14 days, in a case where the shares in question represent at least 0.25 per cent. of the number of shares in issue of the class of shares concerned, or within 28 days in any other case, from the date of such notice, until the information required by the notice is supplied or the relevant shares are transferred or sold in accordance with the Articles;

ii) any amounts due from him have not been paid; or

iii) he has not been registered in the Register as the holder of any acquired shares.

Member disclosure requirements

For so long as the Company has any of its shares admitted to trading on the Official List (or any successor market or any other market operated by the London Stock Exchange), each Shareholder must comply with the disclosure requirements set out in chapter 5 of the Disclosure Guidance and Transparency Rules as if the Company were classified as an "issuer" whose "Home State" is the United Kingdom for the purposes of the Disclosure Guidance and Transparency Rules. If a Shareholder fails to comply with this requirement, such Shareholder's shares in the Company will be treated as if they were default shares (as defined below) and the Directors may impose

restrictions on such shares until they are satisfied that the above requirement has been complied with.

The Directors may serve notice on any member requiring that member to disclose to the Company to the satisfaction of the Directors the identity of any person (other than the member) who has an interest in the shares held by that member and the nature of such interest. Any such notice shall require any information in response to such notice to be given within such reasonable time as the Directors may determine.

The Directors may be required to exercise their powers under the relevant Article on a requisition of members (excluding the holders of Treasury Shares) holding not less than one-tenth of the paid up capital of the Company carrying the right to vote at general meetings. If any member is in default in supplying to the Company the information required by the Company within the prescribed period, the Directors in their absolute discretion may serve a direction notice on the defaulting member. The direction notice may direct that in respect of the shares in respect of which the default has occurred (the "**default shares**") and any other shares held by the defaulting member, that member shall not be entitled to vote in general meetings or class meetings, either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company or of the holders of any class of shares of the Company. Where the default shares represent at least 0.25 per cent. of the class of shares concerned (calculated excluding Treasury Shares) the direction notice may additionally direct that dividends and distributions on such shares will be retained by the Company (without interest) and that no transfer of the shares (other than a transfer authorised under the Articles) shall be registered until the default is rectified.

The Company shall send to each other person appearing to be interested in the shares the subject of any direction notice a copy of the notice, but failure or omission by the Company to do so shall not invalidate such notice.

In addition to the right of the Directors to serve notice requiring disclosure as specified above, the Directors may serve notice on any member requiring that member to promptly provide the Company with any information, representations, certificates or forms relating to such member (or its direct or indirect beneficial owners or account holders) that the Directors determine is necessary or appropriate for the Company to:

i) satisfy any account or payee identification, documentation or other diligence requirements and any reporting requirements imposed under sections 1471 to 1474 of the United States Internal Revenue Code of 1986 or any similar laws;

ii) avoid or reduce any tax otherwise imposed by FATCA or similar laws (including any withholding upon any payments to such member by the Company); or

iii) permit the Company to enter into, comply with, or prevent a default under or termination of, an agreement of the type described in section 1471(b) of the US Internal Revenue Code of 1986, FATCA or similar laws.

Any Member in default of supplying such information within the prescribed period shall be a defaulting member for the purposes of the Articles and such member's shares shall be Prohibited Shares for the purposes of the Articles (see "Transfer of shares" below).

Transfer of shares

The Articles provide that the Directors may implement such arrangements as they may think fit in order for any class of shares to be admitted to settlement by means of an Uncertificated System. If the Directors implement any such arrangements, no provision of the Articles shall apply or have effect to the extent that it is in any respect inconsistent with:

i) the holding of shares of that class in uncertificated form;

ii) the transfer of title to shares of that class by means of the Uncertificated System; or

iii) the Regulations and the Rules.

Where any class of shares is for the time being admitted to settlement by means of an Uncertificated System such securities may be issued in uncertificated form in accordance with and subject as provided in the Regulations and the Rules. Unless the Directors otherwise determine such securities held by the same holder or joint holder in both certificated form and uncertificated form shall be treated as separate holdings. Such securities may be changed from uncertificated to certificated form and from certificated to uncertificated form in accordance with and subject as provided in the Regulations and the Rules.

Title to such of the shares as are recorded on the register as being held in uncertificated form may be transferred only by means of an Uncertificated System.

Subject as provided below, any member may transfer all or any of his shares which are in certificated form by instrument of transfer in any usual form or in any other form which the Directors may approve. The instrument of transfer of a certificated share shall be signed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. The Directors may refuse to register any transfer of certificated shares unless the instrument of transfer is lodged at the Company's registered office 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. The Directors may refuse to register a transfer of any certificated share or (to the extent permitted by the Regulations and the Rules) a share in uncertificated form) which is not fully paid up or on which the Company has a lien provided that this would not prevent dealings from taking place on an open and proper basis.

The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine provided that such suspension shall not be for more than 30 days in any year except that, in respect of any shares which are participating shares in an Uncertificated System, the register of members shall not be closed without the consent of the relevant Authorised Operator. Any such suspension shall be communicated to the members, giving reasonable notice of such suspension by means of a Regulatory Information Service.

If it shall come to the notice of the Directors that any shares:

i) are or may be owned or held directly or beneficially by any person whose ownership or holding or continued ownership or holding of those shares (whether on its own or in conjunction with any other circumstances appearing to the Directors to be relevant) might in the sole and conclusive determination of the Directors cause a pecuniary or tax disadvantage to the Group; or

ii) are or may be owned or held directly or indirectly by another holder of shares or other securities of the Company or any person that is a pension or other benefit plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended (''ERISA'') and in the opinion of the Directors the assets of the Company may be considered ''plan assets'' within the meaning of regulations adopted under ERISA; or

iii) are or may be owned by any U.S. Person (as defined in the Articles) that is not a ''qualified purchaser'' within the meaning of Section 2(a)(51) of the Investment Company Act and rules and regulations thereunder;

iv) are or may be owned or held directly or beneficially by any person to whom a transfer of shares or whose ownership or holding of any shares might in the opinion of the Directors require registration of the Company as an investment company under the Investment Company Act or might require registration of any class of shares of the Company under the United States Securities Exchange Act of 1934; or

v) is deemed to be a Defaulting Member in accordance with the Articles,

(such shares being ''**Prohibited Shares**''), 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 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 general meetings of the Company (and of any class of shareholders) 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 days to the satisfaction of the Directors, the Directors shall arrange for the Company to sell the Prohibited 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 (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.

Alteration of capital and purchase of shares

The Company may from time to time by ordinary resolution increase its authorised share capital if such has been specified by such sum to be divided into shares of such amount as the resolution may prescribe.

The Company may from time to time, subject to the provisions of the Law, purchase its own shares (including any redeemable shares) in any manner authorised by the Law.

The Company may by ordinary resolution: consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares; subdivide all or any of its shares into shares of a smaller amount than is fixed by the Memorandum; cancel any shares which at the date of the resolution have not been taken or agreed to be taken and diminish the amount of its authorised share capital by the amount of shares so cancelled; convert all or any of its shares into a different currency; or denominate or redenominate the share capital in a particular currency.

The Company may reduce its share capital, any capital account or any share premium account in any manner and with and subject to any authorisation and consent required by the Law.

Interests of Directors

A Director must, immediately after becoming aware of the fact that he is interested in a transaction or proposed transaction with the Company, disclose such conflict to the Board: (i) if the monetary value of the Director's interest is quantifiable, the nature and monetary value of that interest, or (ii) if there is no quantifiable monetary value, the nature and extent of the interest.

The requirement in paragraph (a) above does not apply if the transaction proposed is between the Director and the Company, and the Company is entering into the transaction in the ordinary course of business on usual terms and conditions.

Save as mentioned below, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise through the Company. A Director may be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

A Director shall be entitled to vote (and be counted in the quorum) (in the absence of some other material interest not mentioned below) in respect of any resolution concerning any of the following matters:

i) the giving of any guarantee, security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;

ii) the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

iii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;

iv) any proposal concerning any other company in which he is interested, directly or indirectly, and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in one per cent. or more of the issued shares 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 to be a material interest in all circumstances).

Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employment with the Company or any company in which the Company is interested, the Directors may be counted in the quorum for the consideration of such proposals and such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned (if not otherwise debarred from voting under the Articles) shall be entitled to vote (and count in the quorum) in respect of each resolution except that concerning his own appointment.

Any Director may act by himself or by his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director, provided that nothing in the Articles shall authorise a Director or his firm to act as auditor to the Company.

Any Director may continue to be or become a director, managing director, manager or other officer or member of a company in which the Company is interested, and (unless otherwise agreed) any such Director shall not be accountable to the Company for any remuneration or other benefits received by him.

A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director on such terms as the Directors may determine.

Directors

The Directors shall be remunerated for their services at such rate as the Directors shall determine provided that the aggregate amount of such fees shall not exceed £450,000 per annum (or such sums as the Company in general meeting shall from time to time determine). The Directors shall also be entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, board or committee meetings or otherwise in connection with the performance of their duties.

If any Director having been requested by the Directors shall render or perform extra or special services or shall travel or go to or reside in any country not his usual place of residence for any business or purpose of the Company he shall be entitled to receive such sum as the Directors may think fit for expenses and also such remuneration as the Directors may think fit either as a fixed sum or as a percentage of profits or otherwise and such remuneration may, as the Directors shall determine, be either in addition to or in substitution for any other remuneration which he may be entitled to receive.

The Directors may at any time appoint one or more of their body (other than a Director resident in the UK) to be the holder of any executive office, including the office of managing director on such terms and for such periods as they determine.

The Directors may at any time appoint any person eligible in accordance with Section 137 of the Law to be a Director either to fill a casual vacancy or as an addition to the existing Directors but so that the total number of Directors shall not at any time exceed the number (if any) fixed under the Articles. Any Director so appointed shall hold office only until, and shall be eligible for re-election at, the next general meeting following his appointment but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at that meeting if it is an annual general meeting.

Without prejudice to the powers of the Directors, the Company in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director.

The Articles require that, at each annual general meeting, not less than one-third of the Directors (or if their number is not three or an integral multiple of three), the number nearest thereto, shall retire from office. Notwithstanding this and consistent with the UK Corporate Governance Code, it is the policy of the Directors that each of their number will retire from office and may stand for re-election at every annual general meeting.

Subject to the provisions of the Articles, the Directors to retire by rotation on each occasion shall be those of the Directors who have been longest in office since their last appointment or re-appointment but, as between persons who became or were last reappointed Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. In addition, any Director who would not otherwise be required to retire at any annual general meeting which is the third annual general meeting after the later of his appointment by the Company in general meeting and re-election as a Director of the Company in general meeting, shall nevertheless be required to retire at such annual general meeting. The Directors to retire on each occasion (both as to number and identity) shall be determined by the composition of the Directors at the start of business on the date of the notice convening the annual general meeting and no Director shall be required to retire or be relieved from retiring by reason of any change in the number or identity of the Directors after that time on the date of the notice but before the close of the meeting.

If any resolution(s) for the appointment or re-appointment of the persons eligible for appointment or re-appointment as Directors are put to an annual general meeting and are lost and at the end of

that meeting there are fewer than the minimum number of Directors required for the Company then all retiring Directors of the Company who stood for re-appointment (the "**Retiring Directors**") shall be deemed to have been re-appointed and shall remain in office. The Retiring Directors may only act for the purpose of filling vacancies and convening general meetings of the Company and perform such duties as are appropriate to maintain the Company as a going concern and to comply with the Company's legal and regulatory obligations but not for any other purpose.

The Retiring Directors shall convene a general meeting as soon as reasonably practicable following the annual general meeting referred to in the preceding paragraph and they shall retire from office at that meeting. If at the end of that further meeting the number of Directors is fewer than the minimum number required then the provisions outlined in the preceding paragraph shall also apply to that meeting. A Director who retires at an annual general meeting may, if willing to act, be re-appointed. If he is not re-appointed then he shall, unless the preceding paragraph applies, retain office until the meeting appoints someone in his place or, if it does not do so, until the end of the meeting.

The maximum number of Directors shall be seven and the minimum number of Directors shall be two. The majority of the Directors shall at all times be resident outside the United Kingdom.

Unless otherwise fixed by the Company in general meeting, a Director shall not be required to hold any qualification shares.

The office of Director shall be vacated if the Director resigns his office by written notice, if he shall have absented himself from meetings of the Directors for a consecutive period of six months and the Directors resolve that his office shall be vacated, if he dies or becomes of unsound mind or incapable, if he becomes insolvent, suspends payment or compounds with his creditors, if he is requested to resign by written notice signed by all his co-Directors (where there are sufficient number of co-Directors to be quorate), if the Company in general meeting by ordinary resolution shall declare that he shall cease to be a Director, if he becomes resident in the United Kingdom and, as a result, a majority of the Directors are resident in the United Kingdom; or if he becomes ineligible to be a Director in accordance with Section 137 of the Law.

The Directors may appoint a Chairman, who will not have a second or casting vote.

General Meetings

A general meeting of the Company (other than an adjourned meeting) must be called by 14 clear days' notice. A meeting may be convened by a shorter notice if all members entitled to attend and vote so agree. Notices may be published on a website in accordance with Section 208 of the Law. The notice must specify the time, date, and place of the general meeting, specify any special business (as defined in the Articles) to be put to the meeting and contain the information required by applicable law to be given where a special resolution, waiver resolution or unanimous resolution is to be proposed at the meeting. The accidental omission to give notice of any meeting or the non-receipt of such notice by any Shareholder shall not invalidate any resolution, or any proposed resolution otherwise duly approved at any meeting. The quorum for the general meeting shall be two or more members holding five per cent or more of the voting rights applicable at such meeting present in person or by proxy.

Winding-up

On a winding-up, the surplus assets remaining after payment of all creditors shall be divided among the members (excluding the holders of Treasury Shares) in the following order of priority:

i) if any C Shares are in issue then:

   a) the Share Surplus (as defined in the Articles) shall be divided amongst the holders of Ordinary Shares in accordance with paragraph (ii) below as if the Share Surplus comprised the assets of the Company available for distribution;

   b) the C Share Surplus (as defined in the Articles) shall be divided amongst the holders of C Share(s) *pro rata* according to their holdings of C Shares; and

   c) the Deferred Shares shall have no rights to the capital or assets of the Company;

ii) the Share Surplus will be applied in the following priority:

   a) firstly, in the payment to the holders of Ordinary Shares of a sum equal to the nominal amount of the Ordinary Shares held by such holders respectively provided that there are sufficient assets available in the Company to enable such payment to be made; and

b) secondly, in the payment to the holders of the Ordinary Shares of any balance then remaining including but without limitation the balance of any assets in the Company.

On a winding-up the liquidator may, with the authority of a special resolution, divide amongst the members (excluding the holders of Treasury Shares) in specie the whole or any part of the assets of the Company and whether or not the assets shall consist of property of a single kind and may for such purposes set such value as he deems fair on any one or more class or classes or property and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may with like authority vest any part of the assets in trustees upon such trusts for the benefit of members (excluding the holders of Treasury Shares) as he shall think fit but no member shall be compelled to accept any assets in respect of which there is any outstanding liability.

Where the Company is proposed to be or is in the course of being wound up and the whole or part of its business or property is proposed to be transferred or sold to another company the liquidator may, with the sanction of an ordinary resolution (conferring either a general authority on the liquidator or an authority in respect of any particular arrangement), receive in compensation, or part compensation for the transfer or sale, shares, policies or other like interests in the transferee for distribution among the members (excluding the holders of Treasury Shares) or may enter into any other arrangement whereby the members may, in lieu of, or in addition to, receiving cash, shares, policies or other like interests participate in the profits of or receive any other benefit from the transferee.

Borrowing powers

The Directors may exercise all the powers of the Company to borrow money (in whatever currency the Directors determine from time to time) and to give guarantees, mortgage, hypothecate, pledge or charge all or part of its undertaking, property, assets and uncalled capital and to issue debentures and other securities whether outright or as collateral security for any liability or obligation of the Company or of any third party, provided always that the aggregate principal amount from time to time outstanding of all borrowings by the Group (excluding intra-Group borrowings and the debts of underlying investee companies, but including any financial guarantees to support subscription obligations) shall not at any time exceed 50 per cent. of the Adjusted Gross Asset Value of the Group's investments and cash balances.

11. General

The Issue is not underwritten.

The Company initially obtained consent under the GSFC regulatory framework for closed-ended funds on 8 February 2006. As an existing closed-ended collective investment scheme the Company, with effect from 15 December 2008, has been deemed to have been granted an authorisation declaration in accordance with section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and rule 6.02 of the Authorised Closed-ended Investment Schemes Rules 2008 as if such Rules had been in operation on 8 February 2006. The Company is authorised and regulated by the GFSC.

The Company is not (and is not required to be) regulated or authorised by the FCA but, in common with other investment companies admitted to the UK Official List, is subject to the Listing Rules and the Disclosure Guidance and Transparency Rules and is bound to comply with applicable law such as the relevant parts of FSMA.

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the period covering the 12 months preceding the date of this Prospectus, which may have, or have had in the recent past, a significant effect on the Company's and/or the Group's financial position or profitability. For the purposes of this paragraph, the Group shall include any Project Company which is a subsidiary undertaking of the Group.

The Issue Price of 159 pence per New Ordinary Share represents a premium of 158.99 pence over its nominal value of 0.01 pence.

The Company is committed to complying with any corporate governance obligations which may apply to Guernsey registered companies from time to time. The Company is a member of the AIC and to date has complied with the AIC code of corporate governance along with (except as explained below) the UK Corporate Governance Code. As a Guernsey authorised closed-ended

collective investment scheme, the Company is subject to the Code of Corporate Governance issued by the GFSC which came into force on 1 January 2012 (the "**Guernsey Code**"). The Company is deemed to comply with the Guernsey Code by virtue of its compliance with the AIC code of corporate governance and with the UK Corporate Governance Code.

The Financial Reporting Council published a new edition of the UK Corporate Governance Code in April 2016, which applies to reporting periods beginning on or after 17 June 2016.

The Board currently consists of seven non-executive Directors, all of whom are independent of the Company's Investment Adviser. This independence allows all the Directors to sit on the Company's various Committees (with the exception of Ian Russell who, as Chairman, does not sit on the Audit Committee). The provision of the UK Corporate Governance Code which relates to the combination of the roles of the chairman and chief executive does not apply as the Company has no executive directors.

Consistent with the UK Corporate Governance Code, it is the policy of the Directors that each of their number will retire from office and may stand for re-election at every annual general meeting.

The Company's Audit Committee is comprised of Sarah Evans (Chairman of the Committee), Sally-Ann Farnon, Simon Holden, Frank Nelson, Kenneth D. Reid and Chris Russell. The Audit Committee's remit is to meet not less than three times a year and to consider, *inter alia*:

i) the annual and interim accounts;

ii) valuation of the Group's investment portfolio (including engaging a third party valuation expert);

iii) the Company's procedures for the prevention, detection and reporting of fraud and procedures for handling whistle-blower allegations;

iv) the Company's statement of internal controls; and

v) the terms of appointment and remuneration for the auditor (including assessing the independence, effectiveness and performance of the auditor and overseeing the process appointment).

The Company's Remuneration Committee is comprised of Chris Russell (Chairman of the Committee), Sarah Evans, Sally-Ann Farnon, Simon Holden, Frank Nelson, Kenneth D. Reid and Ian Russell. The Remuneration Committee's remit is to meet annually and to consider, *inter alia*:

i) the policy for remuneration of the Directors;

ii) any proposed changes to the remuneration of the Directors; and

iii) any additional ad hoc payments in relation to duties undertaken over and above normal business.

The Company's Nomination Committee is comprised of Ian Russell (Chairman of the Committee), Sarah Evans, Sally-Ann Farnon, Simon Holden, Frank Nelson, Kenneth D. Reid and Chris Russell. The Nomination Committee's remit is to meet annually and to consider, *inter alia*:

i) the structure, size and composition (including the skills, knowledge and experience) of the Board;

ii) succession planning for directors and other senior executives;

iii) suitable candidates to fill Board vacancies;

iv) the time required from non-executive directors based on their performance; and

v) the re-appointment and re-election of directors.

The Company's Management Engagement Committee is comprised of Frank Nelson (Chairman of the Committee), Sarah Evans, Sally-Ann Farnon, Simon Holden, Kenneth D. Reid, Chris Russell and Ian Russell. The Management Engagement Committee's remit is to meet annually and to consider, *inter alia*:

i) the terms of the agreements between the Company and its key service providers, including the provisions relating to fees;

ii) the overall performance of the Investment Adviser, Administrator, Registrar and other key service providers;

iii) any specific matters relating to the engagement of the parties which the Board may request; and

iv) the Environmental, Social and Governance Policy.

The Company's Risk Committee is comprised of Sally-Ann Farnon (Chairman of the Committee), Sarah Evans, Simon Holden, Frank Nelson, Kenneth D. Reid, Chris Russell and Ian Russell. The Risk Committee's remit is to meet annually and to consider, *inter alia*:

i) the Company's implementation of an effective risk governance structure and control framework which envelops key risk areas with appropriate reporting;

ii) the Group's risk appetite taking account of the current and prospective macroeconomic financial environment;

iii) risk limits and tolerances and tax risk management;

iv) on-going regulatory compliance;

v) scenario assumptions to determine whether proposed mitigation is sufficient to manage the business risk file within the Board's appetite; and

vi) the Investment Adviser's advice on material changes to investment and strategy, treasury policy, tax policy and operational risk policy.

The Company's Market Disclosure Committee is comprised of Sarah Evans, Sally-Ann Farnon, Simon Holden, Frank Nelson, Kenneth D. Reid, Chris Russell and Ian Russell. The Market Disclosure Committee's remit is to consider, *inter alia*:

i) whether information provided to the Committee is inside information, and if so, whether it gives rise to an obligation to make an immediate announcement or whether it is permissible to delay the announcement;

ii) the form, content and need for any non-routine announcement (taking external advice where appropriate);

iii) the scope and content of disclosure by the Company;

iv) the Company's disclosure controls and procedures (including notification of transactions by persons discharging managerial responsibilities and persons closely associated with them);

v) the Company's relationship with, and procedures for dealing with, investors and analysts; and

vi) the market's views about the Company and its share price, including rumours, and approve the Company's policy for communication with the market.

Where information contained in this Prospectus has been sourced from a third party, the Company confirms that such information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Company has not had any employees since its incorporation and does not own any premises.

In the event that the Issue raises £205 million, the net assets of the Company will increase by £202.35 million. If the Issue had been undertaken on the first day of the Company's last completed financial year, the Company's earnings in that financial year would have increased.

12. Material contracts

The following contracts (not being contracts entered into in the ordinary course of business) (a) have been entered into by the Company or a Holding Entity during the two years immediately preceding publication of this Prospectus and are, or may be, material, or (b) have been entered into by the Company or a Holding Entity and include an obligation or entitlement which is material to the Company as at the date of this Prospectus:

i) Canaccord Genuity has been appointed under Placing and Offer Agreement as, among other things: (i) the Company's sponsor in connection with the Issue; and (ii) as the Company's placing agent. In connection with these roles, Canaccord Genuity has agreed to use reasonable endeavours to procure persons to subscribe for New Ordinary Shares under the Placing and, to the extent consistent with its role as sponsor, give to the Company all reasonable assistance in obtaining Admission.

   The obligations of the Company to issue the New Ordinary Shares and the obligations of Canaccord Genuity to use reasonable endeavours to procure subscribers for New Ordinary Shares are conditional upon certain conditions that are typical for an agreement of this nature. These conditions include among others the Placing and Offer Agreement not having

been terminated in accordance with its terms. The Placing and Offer Agreement is capable of being terminated by Canaccord Genuity in certain customary circumstances prior to Admission.

Under the Placing and Offer Agreement, the Company shall pay Canaccord Genuity a corporate finance fee of £100,000 (plus VAT) on the publication of this Prospectus and a commission equal to: (a) 0.3 per cent of the gross proceeds of the Issue attributable to subscriptions by certain investors identified by the Investment Adviser (subject to Canaccord Genuity's agreement); plus (b) 0.7 per cent of the gross proceeds (excluding those under (a)) up to and including aggregate gross proceeds of £100 million; plus (c) 1.15 per cent of the gross proceeds (excluding those under (a)) in excess of £100 million, on the completion of the Issue, plus VAT.

The Company will also pay all costs and expenses of or incidental to or incurred in connection with the Issue.

The Placing and Offer Agreement contains certain representations and warranties from the Company to Canaccord Genuity concerning, among other things, its authority to issue the New Ordinary Shares and the accuracy of this Prospectus. Canaccord Genuity, its associates and certain other person also have the benefit of indemnities and undertakings from the Company in relation to liabilities incurred by Canaccord Genuity in the discharge of its duties under the Placing and Offer Agreement save (amongst other things) to the extent that the same is finally judicially determined to have arisen as a result of fraud, negligence or wilful default of Canaccord Genuity or its associates.

ii) The Receiving Agent has agreed to act as the Company's receiving agent in connection with the Open Offer and Offer for Subscription under the terms of the Receiving Agency Agreement.

The Receiving Agent is entitled to customary fees, including (but not limited to) a minimum professional advisory fee of £2,750 and a minimum aggregate processing fee of £5,500 (each in connection with the Open Offer) and a separate minimum professional advisory service fee of £2,750 in connection with the Offer for Subscription, as well as reasonable out-of-pocket expenses.

The Receiving Agent Agreement will terminate on completion of the services to be provided thereunder but may be terminated on notice by either party in the event of an unremedied material breach by, or the winding-up, dissolution or administration of, the other party. In the event of termination, the Company will pay to the Receiving Agent fees and expenses for work actually performed and all actual costs associated with the termination and close-out of the services.

The Receiving Agent Agreement contains a provision whereby the Company indemnifies the Receiving Agent, its affiliates or certain other persons against any and all losses, damages, liabilities, professional fees, court costs and expenses resulting or arising from the Company's breach of the agreement and, in addition, any third-party claims, actions, proceedings, investigations or litigation relating to or arising from or in connection with the agreement or the services provided thereunder, except to the extent such losses are determined to have resulted from fraud, wilful default or negligence on the part of the party claiming under the indemnity.

The aggregate liability of the Receiving Agent and certain other parties arising out of or in connection with the Receiving Agent Agreement will be limited to the lesser of £250,000 or an amount equal to five times the total fee payable to the Receiving Agent under the Receiving Agency Agreement.

iii) The Facility, a multi-currency revolving credit facility agreement dated 28 February 2012 (as subsequently amended and restated on 28 March 2014, 17 November 2015 and 17 November 2016) between, *inter alia*: (i) the Partnership; (ii) Infrastructure Investments General Partner Limited; (iii) Infrastructure Investments Holdings Limited; (iv) the Company (together the "Obligors"); (v) the Royal Bank of Scotland plc; and (vi) National Australia Bank Limited; (vii) Lloyds Bank plc; (viii) Sumitomo Mitsui Banking Corporation; (ix) HSBC Bank plc; and (x) ING Bank N.V., London Branch.

The Facility is the Sterling equivalent of a £300 million revolving credit facility, split into the following three tranches (i) a €200 million Euro tranche (available by way of loans and/or letters of credit), (ii) an AUD$130 million tranche (available by way of loans and/or letters of credit) and (iii) a US$125 million (available by way of loans only). Each of the tranches may be utilised in their respective currencies or their equivalent in other approved currencies (subject to certain restrictions). Interest is calculated as the aggregate of the applicable margin (being 1.7 per cent. *per annum* in relation to any loan utilisation and 1.25 per cent. *per annum* in relation to any letter of credit utilisation) and the applicable funding cost (being either (i) LIBOR, (ii) in relation to any loan in Euro, EURIBOR, or (iii) in relation to any loan in Australian dollars, BBSW). There is also a commitment fee of 0.50 per cent. *per annum* on the undrawn portion of the available commitment under each tranche, plus an arrangement fee, administration fee and a letter of credit fee equal to the margin on any letters of credit. The final maturity date of each tranche is 31 May 2019.

The Facility may be used to (i) finance or refinance the Current Portfolio and any further investments by the Company, subject to certain restrictions on the class and concentration of the portfolio; (ii) related costs; (iii) pay dividends (iv) general corporate working capital purposes; (v) the repurchase by the Company of issued share capital up to an aggregate maximum of £10 million (vi) payment of a claim under a letter of credit (in respect of amounts borrowed by way of a loan), and (vii) refinancing amounts borrowed under any tranche as applicable. Voluntary prepayment is allowed in minimum amounts of AUD 250,000 in respect of the AUD tranche, Euro 250,000 in respect of the Euro tranche and US$ 250,000 in respect of the US$ tranche. Various interest cover and loan to value ratios are imposed. The proceeds of any disposal by an Obligor or equity raising by the Company are required to be paid into a series of specified accounts and must either be applied in prepayment of the Facility or, subject to confirmation that the financial covenants are and will continue to be achieved, in the acquisition of further investments.

The Facility is secured by, *inter alia*, a debenture from the Partnership, charges over partnership interests granted by the General Partner and Luxco 2 and a charge over shares of the General Partner and Luxco 2. There are also cross guarantees and indemnities between the Obligors, including the Company in its capacity as a guarantor under the Facility. The Facility contains provisions for the introduction of additional borrowers. The Facility contains further representations, warranties, covenants, events of defaults and other obligations, including indemnities on the part of the Partnership.

iv) The Investment Advisory Agreement, dated 14 May 2014, between the Company and the Investment Adviser whereby the Investment Adviser was appointed to provide investment advisory services to the Company. The Investment Advisory Agreement amends the terms of and restates the original investment advisory agreement between the Company and the Investment Adviser dated 7 February 2006, which was subsequently amended and restated on 31 March 2011. The Investment Adviser is paid a fee as is set out in Part V of this Prospectus, which fee shall be reduced by the amount of any commissions or other remuneration (except for the fee the Investment Adviser receives as Operator of the Partnership or any commission received in respect of investors whom the Investment Adviser procures to subscribe for shares in the Company) received by the Investment Adviser in relation to any transaction carried out on behalf of the Company. The Investment Adviser shall also be entitled to all reasonable out-of-pocket expenses properly incurred by the Investment Adviser in carrying out its duties under the Investment Advisory Agreement. The fee paid to the Investment Adviser is subject to review from time to time by the Company.

The Investment Advisory Agreement may be terminated by either party giving the other party one year's written notice. In addition, either party (the "**Terminating Party**") may terminate the Investment Advisory Agreement immediately by giving the other party written notice, if the other party commits a material breach of the Investment Advisory Agreement (or a breach that is not material but is recurrent or continuing) and does not remedy it within 30 days of being notified by the Terminating Party of such breach, has had an administrator, encumbrancer, receiver or similar body appointed in respect of it or any of its assets, is unable to pay its debts or an order has been made or an effective resolution passed for its liquidation (except a voluntary liquidation or terms previously approved in writing by the Terminating Party). The Investment Advisory Agreement may also be terminated if the Operator Letter is terminated in accordance with its terms, a force majeure event occurs

preventing a party from performing its obligations for 30 days or the Investment Adviser is no longer permitted to perform its services in accordance with all the applicable laws and regulations.

The Investment Advisory Agreement provides that the Company shall indemnify the Investment Adviser and its officers, directors, employees and agents for losses of any nature arising in connection with the Investment Advisory Agreement (except where fraud, negligence or wilful default or material breach of the Investment Advisory Agreement are involved on the part of the Investment Adviser and its officers, directors, employees and agents). The Investment Advisory Agreement also provides that the Investment Adviser shall indemnify the Company and its group for all losses suffered due to the negligence, wilful default, fraud or material breach of the Investment Advisory Agreement of the Investment Adviser.

v) The Administration Agreement, dated 15 December 2010 (as novated and amended by a deed dated 15 July 2016) between the Company and the Administrator whereby the Administrator was appointed to provide administrative, secretarial and cash management services to the Company. Such services include in particular, keeping the accounts of the Company, providing all information and assistance required by the Investment Adviser in relation to the Investment Adviser's preparation of the NAV of the Ordinary Shares, arranging for and administering the issue of shares in the Company, safekeeping of the Company's shares in Luxco 1 and providing all administrative services required by the Company. In performance of such duties, the Administrator is at all times subject to the control and review of the Board.

The Administrator is paid an annual fee of £150,000, paid monthly in arrears, for its services, or as otherwise agreed in writing between the Company and the Administrator from time to time. The Administrator is also entitled to receive all expenses properly incurred.

The Administration Agreement provides that the Administrator shall not be liable for any loss or damage suffered by the Company or the Investment Adviser as a result of the Administrator carrying out its duties under the Administration Agreement unless the loss or damage arises out of the Administrator's fraud, negligence or wilful default. The Company has indemnified the Administrator, its agents, delegates, officers and employees against any liabilities of whatever nature arising out of the Administrator properly performing its duties under the Administration Agreement (provided that fraud, negligence and wilful default on the part of the Administrator are absent).

The Administration Agreement can be terminated by either party on sixty days' written notice to the other. It can be terminated immediately by either party, if the other party breaches its obligations under the Administration Agreement and does not remedy the breach within 30 days of notice of the breach from the terminating party, passes a resolution for its own winding-up (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the terminating party) or if the Royal Court of Guernsey orders its winding-up or if it is declared "*en désastre*" or if a receiver shall be appointed over the whole or a substantial part of its assets or, in the case of the Company being the terminating party, if the Administrator ceases to hold the authorisations, licences and consents necessary for the conduct of its business under the Administration Agreement, or ceases to be subject in Guernsey for fiscal purposes.

vi) The Partnership is governed by the Limited Partnership Agreement. A description of the Limited Partnership Agreement is included at section 3 of this Part X above and a description of the fees payable to the Operator and the General Partner is included in Part V of this Prospectus.

vii) Pursuant to an amended and restated letter of appointment between the General Partner (for itself and as general partner of the Partnership) and the Operator dated 14 May 2014 (the "**Operator Letter**"), the Operator manages and operates the Partnership and its investments. A description of the Operator Letter is included at paragraph 3 of this Part X above and a description of the fees payable to the Operator and the General Partner is included in Part V of this Prospectus.

viii) The Company has appointed the Registrar as its registrar and transfer agent under the terms of the Registrar Agreement. The Registrar Agreement has effect on 1 January 2015 and will continue in force until 31 December 2017 at which point it shall automatically renew for

successive periods of 12 months, unless terminated on at least three months' prior notice to the end of the initial period or any successive period. The Registrar Agreement can be terminated at other times or immediately on notice in certain circumstances.

The Registrar Agreement contains a provision whereby the Company indemnifies the Registrar, its affiliates or certain other persons against any and all losses, damages, liabilities, professional fees, court costs and reasonable expenses resulting or arising from the Company's breach of the agreement and, in addition, any third-party claims, actions, proceedings, investigations or litigation relating to or arising from or in connection with the agreement or the services provided thereunder, except to the extent such losses are determined to have resulted from fraud, wilful default or negligence on the part of the party claiming under the indemnity.

The aggregate liability of the Registrar and certain other parties arising out of or in connection with the Registrar Agreement will be limited to the lesser of £1,000,000 or an amount equal to or ten times the annual fee payable under the Registrar Agreement.

ix) The Safe-Keeping Services Agreement, dated April 2013, between the Company, the Investment Adviser and the Custodian whereby the Custodian was appointed to act as the ''safe-keeper'' of the share and loan note certificates of Project Companies in which the Company or the Partnership holds investments. The Custodian does not have authority to act as agent or represent the Company, the Partnership or the Investment Adviser. The powers and duties of the Custodian are subject to the overall direction of the Directors.

The Custodian is entitled to receive an annual fee of £2,000 as well as a transaction fee of £75 per document. The Custodian is also entitled to have repaid all reasonable out-of-pocket expenses. The Custodian and its officers, servants, agents and delegates will not be liable for, and will be indemnified against, any loss suffered by the Company or the Shareholders arising as a result of the performance or non-performance of the Custodian's duties and obligations under the Safe-Keeping Services Agreement, providing that such loss has not arisen as a result of dishonesty, negligence, fraud, wilful default or breach of the Safe-Keeping Services Agreement. The Custodian will indemnify the Company and its members, officers, employees, agents and servants against any losses suffered in connection with the Custodian's negligence, dishonesty, fraud, wilful default or breach of the Safe-Keeping Services Agreement.

Each of the Company and the Custodian may terminate the Safe-Keeping Services Agreement on three months' written notice, or at any time if the other party commits a material breach of the Safe-Keeping Services Agreement, which is not remedied within 30 days of notice of such breach, on the winding-up or similar of the other party. The Company may also terminate the appointment if the Custodian (i) ceases to be resident in Guernsey, (ii) ceases to be licensed under the POI Law, (iii) on the direction of the GFSC, or (iv) if the Custodian ceases to observe the Principles as set out in the COB Rules.

13. Intermediaries Terms and Conditions

The Intermediaries Terms and Conditions regulate the relationship between the Company, Canaccord Genuity and each of the Intermediaries that is accepted by the Company to act as an Intermediary after making an application for appointment in accordance with the Intermediaries Terms and Conditions.

Capacity and liability

The Intermediaries have agreed that, in connection with the Intermediaries Offer, they will be acting as agent for retail investors in the United Kingdom who wish to acquire New Ordinary Shares under the Intermediaries Offer, and not as representative or agent of the Company, the Investment Adviser or Canaccord Genuity, none of whom will have any responsibility for any liability, costs or expenses incurred by any Intermediary, regardless of the process or outcome of the Issue.

Eligibility to be appointed as an Intermediary

In order to be eligible to be considered by the Company for appointment as an Intermediary, each Intermediary must be authorised by the FCA or the Prudential Regulatory Authority in the United Kingdom or authorised by a competent authority in another EEA jurisdiction with the appropriate authorisations to carry on the relevant activities in the United Kingdom, and in each case have appropriate permissions, licences, consents and approvals to act as an Intermediary in the United

Kingdom. Each Intermediary must also be a member of CREST or have arrangements with a clearing firm that is a member of CREST.

Each Intermediary must also have (and is solely responsible for ensuring that it has) all licences, consents and approvals necessary to enable it to act as an Intermediary in the United Kingdom and must be, and at all times remain, of good repute and in compliance with all laws, rules and regulations applicable to it (determined by the Company in its sole and absolute reasonable discretion).

Application for Ordinary Shares

A minimum application amount of £1,000 per Underlying Applicant will apply. There is no maximum limit on the monetary amount that Underlying Applicants may apply to invest. The Intermediaries have agreed not to make more than one application per Underlying Applicant. Any application made by investors through any Intermediary is subject to the terms and conditions agreed with each Intermediary.

Allocations of New Ordinary Shares under the Intermediaries Offer will be at the absolute discretion of the Company, after consultation with Canaccord Genuity. If there is excess demand for New Ordinary Shares in the Intermediaries Offer, allocations of New Ordinary Shares may be scaled down to an aggregate value which is less than that applied for.

Each Intermediary will be required by the Company to apply the basis of allocation to all allocations to Underlying Applicants who have applied through such Intermediary.

Effect of Intermediaries Offer Application Form

By completing and returning an Intermediaries Offer Application Form, an Intermediary will be deemed to have irrevocably agreed to invest or procure the investment in New Ordinary Shares of the aggregate amount stated on the Intermediaries Offer Application Form or such lesser amounts in respect of which such application may be accepted. The Company and Canaccord Genuity reserve the right to reject, in whole or in part, or to scale down, any application for New Ordinary Shares in the Intermediaries Offer.

Commission and Fees

The Intermediaries Terms and Conditions may provide for the payment of a commission and/or fee (to the extent permissible by the rules of the FCA) by Canaccord Genuity to Intermediaries. Intermediaries must not pay to any Underlying Applicant any of the fees or commissions received from Canaccord Genuity. However, Intermediaries are permitted to offset any fee received from Canaccord Genuity against any amounts of fees or commission which would be otherwise payable by an Underlying Applicant to that Intermediary.

Information and communications

The Intermediaries have agreed to give certain undertakings regarding the use of information provided to them in connection with the Intermediaries. The Intermediaries have given certain undertakings regarding their role and responsibilities in the Intermediaries Offer and are subject to certain restrictions on their conduct in connection with the Intermediaries Offer, including in relation to their responsibility for information, communications, websites, advertisements and their communications with clients and the press.

Representations and warranties

The Intermediaries have given representations and warranties that are relevant for the Intermediaries Offer, and have agreed to indemnify the Company, the Investment Adviser and Canaccord Genuity against any loss or claim arising out of any breach by them of the Intermediaries Terms and Conditions or as a result of a breach of any duties or obligations under FSMA or under any rules of the FCA or any applicable laws or as a result of any breach by the Intermediary of any of its representations, warranties, undertakings or obligations contained in the Intermediaries Terms and Conditions.

Governing law

The Intermediaries Terms and Conditions are governed by English law.

14. Intermediaries

The Intermediaries authorised as at the date of this Prospectus to use this Prospectus in connection with the Intermediaries Offer are:

i) AJ Bell Securities Ltd, Trafford House, Chester Road, Manchester, M32 0RS

ii) Alliance Trust Savings Limited, 8 West Marketgait, Dundee DD1 1QN

iii) Barclays Bank Plc, 1 Churchill Place, London, E14 5HP

iv) Interactive Investor Trading Ltd, Standon House, 21 Mansell Street, London, E1 8AA

v) TD Direct Investing (Europe) Limited, Exchange Court, Duncombe Street, Leeds, LS1 4AX

Any new information with respect to Intermediaries unknown at the time of approval of this Prospectus, including in respect of any Intermediary that is appointed by the Company in connection with the Intermediaries Offer after the date of this Prospectus following its agreement to adhere to and be bound by the terms of the Intermediaries Terms and Conditions; and any Intermediary that ceases to participate in the Intermediaries Offer, will be made available (subject to certain restrictions) at the Company's website www.hicl.com.

15. Availability of this Prospectus

Copies of this Prospectus may be collected, free of charge during normal business hours, from each of the following:

HICL Infrastructure Company Limited
c/o Aztec Financial Services (Guernsey) Limited
East Wing
Trafalgar Court
Les Banques
St Peter Port
GY1 3PP
Guernsey

Hogan Lovells International LLP
Atlantic House
Holborn Viaduct
London
EC1A 2FG

This document is also available for download at: *www.hicl.com*.

16. Documents for inspection

Copies of the following documents may be inspected at the offices of Hogan Lovells International LLP, Atlantic House, Holborn Viaduct, London EC1A 2FG and at the registered office of the Company during usual business hours on any day (except Saturdays, Sundays and public holidays) from the date of this Prospectus until the Placing, Offer for Subscription and Intermediaries Offer close:

i) the Memorandum and Articles of the Company;

ii) the annual report and audited financial statements of the Company for the financial years ended 31 March 2014, 31 March 2015 and 31 March 2016 and the interim report and unaudited financial statements of the Company for the six month period ended 30 September 2016; and

iii) this Prospectus.

Dated 23 February 2017

NOTICES TO NON-UK INVESTORS

This document has been approved by the FCA as a prospectus which may be used to offer securities to the public in the UK for the purposes of section 85 FSMA and Directive 2003/7/EC (as amended by Directive 2010/73/EU). No arrangement has however been made with the competent authority in any other EEA State (or any other jurisdiction) for the use of this Prospectus as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdictions. Issue or circulation of this Prospectus may be prohibited in countries other than those in relation to which notices are given below.

The Company has not applied to offer the New Ordinary Shares to investors under the national private placement regime of any EEA State, save for the United Kingdom, Sweden and Ireland.

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, shares in any jurisdiction in which such offer or solicitation is unlawful.

For the attention of Guernsey investors

Any document relating to the New Ordinary Shares may be promoted in Guernsey by persons regulated by the GFSC as licensees under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended). Persons appointed by the Company and not so licensed may not promote the Company in Guernsey to private investors and may only distribute and circulate any document relating to New Ordinary Shares in Guernsey to persons regulated as licensees under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended), the Banking Supervision (Bailiwick of Guernsey) Law, 1994 (as amended), the Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended) or the Regulation of Fiduciaries, Administration Business and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 (as amended). Promotion is not being made in any other way.

For the attention of Jersey investors

Subject to certain exemptions (if applicable), the Company shall not raise money in Jersey by the issue anywhere of New Ordinary Shares, and no consent has been obtained from the Jersey Financial Services Commission (the "**Commission**") for the circulation of this Prospectus in Jersey pursuant to the Control of Borrowing (Jersey) Order 1958, as amended. The Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against any liability arising from the discharge of its functions under that law. 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. This Prospectus does not constitute an offer to the public in Jersey to subscribe for the New Ordinary Shares offered hereby 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.

For the attention of Irish investors

This Prospectus has been prepared in accordance with the Prospectus Directive and has been approved by the Financial Conduct Authority in its capacity as the UK listing authority. No action has been taken or arrangement made with the Central Bank of Ireland (the competent authority in Ireland for the purpose of the Prospectus Directive) for the use of this Prospectus as an approved prospectus in Ireland.

Accordingly, the New Ordinary Shares may not be offered or sold in Ireland and this Prospectus may not be distributed in Ireland other than:

(a) to "qualified investors" within the meaning of the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland (the "**Irish Prospectus Regulations**"); or

(b) in any other circumstances which, pursuant to Regulation 9 of the Irish Prospectus Regulations, do not require the publication by the Company of a prospectus.

No Irish investor shall knowingly sell the New Ordinary Shares to other Irish resident investors.

This Prospectus shall only be marketed to professional investors in Ireland, as defined in the European Union (Alternative Investment Fund Managers) Regulations 2013 (the "**Irish AIFMD Regulations**"). This Prospectus shall not be marketed to retail investors, as defined in the Irish AIFMD Regulations.

Neither the Company nor the investment has been authorised by the Central Bank of Ireland.

This Prospectus and the information contained herein are private and confidential and are for the use solely of the person to whom this Prospectus is addressed. If a prospective investor is not interested in making an investment, this Prospectus should be promptly returned. This Prospectus does not, and shall not be deemed to, constitute an invitation to the public in Ireland to purchase interests in the Company.

No person receiving a copy of this Prospectus may treat it as constituting an invitation to them to purchase interests in the Company or a solicitation to anyone other than the addressee.

The offer for sale of interests in the Company shall not be made by any person in Ireland otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (as amended), the Irish AIFMD Regulations and any other law or enactment relating to the invitation or offer of shares or interests and in accordance with any codes, guidance or requirements imposed by the Central Bank of Ireland thereunder. The Company has notified the Central Bank of Ireland of its intention to market shares and other interests in the Company to professional investors in Ireland in accordance with Regulation 43 of the Irish AIFMD Regulations.

For the attention of Swedish investors

The Company is authorised by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**SFSA**") under the Swedish Alternative Investment Fund Managers Act (2013:561) (the "**AIFMA**") to market interests in the Company to professional investors in Sweden as defined in the AIFMA and this Prospectus constitutes an information brochure (Sw. *informationsbroschyr*) under the AIFMA. The offer of New Ordinary Shares under this Prospectus is only directed to a limited number of professional investors for the purpose of providing certain information about a prospective investment in the Company and the information contained herein is to be used by the prospective professional investor to which it is furnished solely in connection with the consideration of the purchase of New Ordinary Shares described herein and not for any other purpose. This Prospectus may not be copied or, directly or indirectly, be distributed to or made available to non-professional investors in Sweden.

This Prospectus has not been, nor will it be, registered with or approved by the SFSA under the Swedish Financial Instruments Trading Act (1991:980) (the "**Trading Act**"). Accordingly, this Prospectus may not be made available, nor may the interests in the Company offered hereunder be marketed and offered for sale in Sweden, other than under circumstances which do not to require a prospectus (Sw. *prospekt*) under the Trading Act.

Prospective investors should not construe the contents of this Prospectus as legal or tax advice. This Prospectus has been prepared for marketing purposes only and should not be conceived as investment advice.

For the attention of United States investors

The New Ordinary Shares have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States and the Company has not registered, and does not intend to register as an investment company under the Investment Company Act. Accordingly, the New Ordinary Shares may not be offered, sold, pledged or otherwise transferred directly or indirectly in or into the United States, or to or for the account or benefit of any US person within the meaning of Regulation S, subject to certain exceptions. The New Ordinary Shares may be offered and sold outside the United States only in ''offshore transactions'' to persons that are not US persons as defined in, and in reliance on, Regulation S. Each purchaser of New Ordinary Shares offered by this Prospectus, in receiving this Prospectus and making its purchase, will be deemed by the Company and Canaccord Genuity to have made, and may further be required to make, the representations, acknowledgments and agreements as described under the section ''Terms and Conditions of the Open Offer Offer'' and/or ''Terms and Conditions of Application under the Offer'' (as applicable) in this Prospectus.

DEFINITIONS

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

''Additional Investment''	means an investment made or contracted to be made by the Group on or prior to Admission but after the date of this Prospectus or any investment identified by the Investment Adviser on or prior to Admission which the Directors reasonably believe will be made or contracted to be made by the Group by no later than 30 September 2017;
''Adjusted Gross Asset Value''	means fair market value, without deductions for borrowed money or other liabilities or accruals, and including outstanding subscription obligations;
''Administration Agreement''	means the administration and secretarial agreement dated 15 December 2010 (and novated on 15 July 2016 between the Company and the Administrator), details of which are set out in Part X of this Prospectus;
''Administrator''	means Aztec Financial Services (Guernsey) Limited;
''Admission''	means admission of the New Ordinary Shares to be issued pursuant to the Issue to the Official List with a premium listing and/or to trading on the Main Market as the context may require;
''AIFM Directive''	means the European Directive on Alternative Investment Fund Managers (No. 2011/61/EU);
''Application Form''	means the application form attached to this Prospectus for use in connection with the Offer for Subscription;
''Articles''	means the Articles of Incorporation of the Company in force from time to time;
''Auditors''	means KPMG Channel Islands Limited;
''Authorised Operator''	means Euroclear UK & Ireland or such other person as may for the time being be authorised under the Regulations to operate an Uncertificated System;
''Business Day''	means any day (other than a Saturday or Sunday) on which commercial banks are open for business in London and Guernsey;
''Canaccord Genuity''	means Canaccord Genuity Limited, in its capacity as the Company's sponsor and/or placing agent (as the context requires);
''Capita Asset Services''	a trading name of Capita Registrars Limited;
''certificated'' or **''in certificated form''**	means in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in certificated form (that is, not in CREST);
''Circular''	means the circular to Existing Shareholders containing notice of the Extraordinary General Meeting dated 23 February 2017;
''Client''	means the procuring client which appoints a Project Company under a PFI/PPP concession and to whom the construction and operational services are provided during the project;
''Committed Investment''	means the investment in the Infrastructure Equity in the Northwest Parkway toll road, Colorado, US that the Group signed a contract prior to 31 December 2016 to acquire, subject to limited conditions, as more fully described in Part IV of this Prospectus;

''Court''	means the Royal Court of the Bailiwick of Guernsey;
''CREST'' or **''CREST system''**	means the paperless settlement procedure operated by Euroclear UK & Ireland enabling system securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument;
''C Shares''	means C shares of 0.01p each in the capital of the Company classed as C Shares and having the rights attached thereto;
''CRS''	means the global common reporting standards published by the OECD;
''Current Portfolio''	means the portfolio of infrastructure investments which the Group has acquired on or prior to the date of this Prospectus, including the Committed Investment, as further described in Part IV of this Prospectus;
''Current Portfolio Value''	means: (i) the value attributed by the Directors' valuation of the Company's portfolio of 114 assets as at 31 December 2016; plus (ii) the consideration payable for any investments made between 1 January 2017 and the date of this Prospectus (excluding the investment in the A63 Motorway made in January 2017, which was included in the Directors' valuation as at 31 December 2016);
''Custodian''	means IAG Private Equity Limited;
''Directors'' or **''Board''**	means the directors of the Company, whose names appear in the Section of this Prospectus headed ''Directors, Agents and Advisers'', or the board of directors from time to time of the Company, as the case may require, and ''**Director**'' is to be construed accordingly;
''Disclosure Guidance and Transparency Rules''	means the disclosure guidance given by the FCA as the competent authority in the UK for the purposes of Article 22 of the Market Abuse Regulation and the transparency rules made by the FCA under section 73A of FSMA;
''Distributable Cash Flow''	means, in any year: (i) all cash received by the Group from its investments, including but not limited to: (a) interest payments on subordinated debt; (b) repayments of subordinated debt; and (c) dividend payments; less (ii) management and advisory fees, interest on external borrowings, running costs and taxation;
''EEA''	means the European Economic Area;
''EU''	means the European Union;
''Euroclear UK & Ireland''	means Euroclear UK & Ireland Limited, the operator of CREST;
''Excess Application Facility''	means the arrangement pursuant to which Existing Shareholders may apply for additional New Ordinary Shares in excess of their Open Offer Entitlement in accordance with the terms and conditions of the Open Offer;
''Excess CREST Open Offer Entitlement''	means, in respect of each Existing CREST Shareholder, the entitlement (in addition to their Open Offer Entitlement) to apply for New Ordinary Shares using CREST pursuant to the Excess Application Facility;
''Excess Shares''	means: (i) New Ordinary Shares which are not taken up by Existing Shareholders pursuant to their Open Offer Entitlement; together with (ii) New Ordinary Shares that the Directors have reallocated from the Placing and/or the Offer for Subscription and/or the Intermediaries Offer to be available to Existing Shareholders, in each case that are offered to other Existing Shareholders under the Excess Application Facility;
''Excluded Non-UK Shareholder''	means a holder of Ordinary Shares with a registered mailing address in an Excluded Territory;

''Excluded Territory''	means Australia, Canada, Japan, South Africa or the United States;
''Existing CREST Shareholders''	means Existing Shareholders holding Ordinary Shares in uncertificated form in CREST;
''Existing Non-CREST Shareholders''	means Existing Shareholders holding Ordinary Shares in certificated form;
''Existing Ordinary Shares''	means Ordinary Shares in issue as at the Record Date;
''Existing Shareholder''	means a holder of an Existing Ordinary Share as at the Record Date that is not restricted in holding New Ordinary Shares in Part VII of this Prospectus;
''Extraordinary General Meeting''	means the extraordinary general meeting of the Company to be held at 9.30 a.m. on 20 March 2017;
''Facility''	means the amended and restated multi-currency revolving facility agreement dated 17 November 2016 between: (i) the Partnership; (ii) Infrastructure Investments General Partner Limited; (iii) Infrastructure Investments Holdings Limited; (iv) the Company; (v) InfraRed (Infrastructure) Capital Partners Limited; (vi) the Royal Bank of Scotland plc; (vii) National Australia Bank Limited; (viii) Lloyds Bank plc; (ix) Sumitomo Mitsui Banking Corporation; (x) HSBC Bank plc; and (xi) ING Bank N.V., London Branch, further details of which are set out in Part X of this Prospectus;
''Fair Market Value''	means the amount for which an asset could be exchanged between willing parties who are under no compulsion to transact, who are acting for self-interest and gain, and both of whom are equally well informed about the Current Portfolio and the infrastructure market;
''FATCA''	means the Foreign Account Tax Compliance Act provisions of the US Hiring Incentives to Restore Employment Act;
''FCA''	means the UK Financial Conduct Authority or any successor organisation;
''FSMA''	means the Financial Services and Markets Act 2000 of the United Kingdom, as amended;
''Fund I''	means the HSBC Infrastructure Fund;
''Fund II''	means the InfraRed Infrastructure Fund II;
''Fund III''	means the InfraRed Infrastructure Fund III;
''GDP''	means gross domestic product;
''General Partner''	means Infrastructure Investments General Partner Limited;
''GFSC''	means the Guernsey Financial Services Commission;
''Group''	means the Company, the Luxcos and the Partnership (together, individually or in any combination as appropriate);
''Group Debt''	means the aggregate amount of outstanding bank debt, from time to time, drawn down under the Facility or any other facility taken out in respect of the Group from time to time;
''HMRC''	means Her Majesty's Revenue and Customs;
''Holding Entities''	means all or any of Luxco 1, Luxco 2 and the Partnership;
''ICPL''	means InfraRed Capital Partners Limited;
''IFRS''	means International Financial Reporting Standards;
''InfraRed Group'' or **''InfraRed''**	has the meaning given in Part VI of this Prospectus;

''Infrastructure Equity''	means the subordinated debt (or the entitlement to acquire subordinated debt) and equity of a Portfolio Company (as appropriate) (which, for the avoidance of doubt, shall include the debt and equity of any holding vehicle with respect to such Portfolio Company);
''Infrastructure Investment Team''	means the infrastructure investment team of the Investment Adviser;
''Initial Portfolio''	means the initial portfolio of 15 infrastructure investments which the Group acquired from Fund I and HSBC Infrastructure Limited shortly after the Company's launch in March 2006;
''Intermediaries''	means the entities listed in paragraph 14 of Part X of this Prospectus, together with any other intermediary (if any) that is appointed by the Company in connection with the Intermediaries Offer after the date of this Prospectus;
''Intermediaries Application Form''	means the form of application for New Ordinary Shares in the Intermediaries Offer used by the Intermediaries;
''Intermediaries Offer''	means the offer of New Ordinary Shares by the Intermediaries;
''Intermediaries Terms and Conditions''	means the terms and conditions on which each of Intermediary has agreed to be appointed by the Company to act as an Intermediary in the Intermediaries Offer and pursuant to which Intermediaries may apply for New Ordinary Shares in the Intermediaries Offer, details of which are set out in Part X of this Prospectus;
''Internal Rate of Return'' or **''IRR''**	means the total return calculated as being the discount rate which when applied to expected cash flows would give a net present value of zero;
''Investment Adviser''	means ICPL acting in its capacity as investment adviser to the Company pursuant to the Investment Advisory Agreement;
''Investment Advisory Agreement''	means the Investment Advisory Agreement dated 14 May 2014 between the Investment Adviser and the Company, further details of which are set out in Part X of this Prospectus;
''Investment Basis''	means IFRS as applied in the March 2016 Consolidated Financial Statements used by the Company to present pro forma summary financial information in the 30 September 2016 Interim Report in which the Company consolidated the Holding Entities.
''Investment Committee''	means the investment committee established by the Operator as described in Part V of this Prospectus;
''Investment Company Act''	means the United States Investment Company Act of 1940, as amended;
''Investment Policy''	means the investment policy of the Group, as set out in Part II of this Prospectus;
''IPO''	means the initial public offering of 250 million Ordinary Shares on 29 March 2006;
''ISA''	means an Individual Savings Account;
''ISA Regulations''	means the Individual Savings Account Regulations 1998 (SI 1998/1870) (as amended);
''Issue''	means the issue of the New Ordinary Shares pursuant to the Placing, the Open Offer, the Offer for Subscription and the Intermediaries Offer described in this Prospectus;
''Issue Price''	means 159 pence per New Ordinary Share;
''Law''	means the Companies (Guernsey) Law, 2008 (as amended);

''Limited Partnership Agreement''	means the third amended and restated limited partnership agreement constituting Infrastructure Investments LP dated 14 May 2014 between the General Partner and Luxco 2;
''Listing Rules''	means the rules, including the listing rules and the prospectus rules made by the UK Listing Authority under section 73A of FSMA;
''London Stock Exchange''	means London Stock Exchange plc;
''Luxco 1''	means HICL Infrastructure 1 Sàrl, a *société à responsabilité limitée* established in Luxembourg;
''Luxco 2''	means HICL Infrastructure 2 Sàrl a *société à responsabilité limitée* established in Luxembourg;
''Luxcos''	means Luxco 1 and Luxco 2;
''Luxembourg Administrator''	means RSM Tax & Accounting Luxembourg;
''Main Market''	means the premium segment of the London Stock Exchange's main market for listed securities;
''Memorandum''	means the Memorandum of Incorporation of the Company;
''Net Asset Value'' or **''NAV''**	means the net asset value of the Company in total or (as the context requires) per Ordinary Share calculated in accordance with the Company's valuation policies and as described in this Prospectus;
''New Ordinary Shareholder''	means a holder of New Ordinary Shares issued pursuant to the Issue;
''New Ordinary Shares''	means the Ordinary Shares to be issued under the terms set out in this Prospectus and having the rights set out in the Articles and ''New Ordinary Share'' shall be construed accordingly;
''NHS''	means the National Health Service of the United Kingdom;
''Non-UK Shareholders''	means all Shareholders that are not resident in the United Kingdom;
''OECD''	means the Organisation for Economic Cooperation and Development;
''Offer for Subscription'' or **''Offer''**	means the offer for subscription to the public in the UK of New Ordinary Shares on the terms set out in this Prospectus;
''Official List''	means the official list maintained by the UK Listing Authority;
''OFTO''	means the offshore transmission owners regime established by Ofgem and the UK Department of Energy and Climate Change;
''Open Offer''	means the offer to Existing Shareholders, constituting an invitation to apply for New Ordinary Shares under the Issue, on the terms and subject to the conditions set out in this Prospectus and, in the case of Existing Non-CREST Shareholders only, the Open Offer Application Form;
''Open Offer Application Form''	means the personalised application form on which Existing Shareholders may apply for New Ordinary Shares under the Open Offer;
''Open Offer Entitlement''	means the entitlement of Existing Shareholders to apply for New Ordinary Shares under the Open Offer as set out in Part VII of this Prospectus;
''Operating Company''	means a company that owns and operates infrastructure assets;
''Operator''	means ICPL acting in its capacity as operator of the Partnership;
''Operator Letter''	means the operator agreement between the Operator and the General Partner (for itself and on behalf of the Partnership) dated 14 May 2014;

''Ordinary Shares''	means shares of 0.01p each in the capital of the Company, classed as ordinary shares and having the rights attached thereto;
''Partnership''	means the limited partnership which holds and manages the Company's investments, as further described in Part II of this Prospectus;
''P3''	means Public Private Partnership (P3 is commonly used in North America to refer to Public Private Partnerships);
''PFI''	means the Private Finance Initiative;
''Placing''	means the placing of the New Ordinary Shares pursuant to the Placing and Offer Agreement, details of which are contained in this Prospectus;
''Placing and Offer Agreement''	means the conditional agreement relating to the Placing, the Open Offer, the Offer for Subscription and the Intermediaries Offer between the Company, Canaccord Genuity and the Investment Adviser, details of which are set out in Part X of this Prospectus;
''Portfolio Company''	means Project Companies and Operating Companies that form part of the Company's portfolio;
''PPP''	means the Public Private Partnership;
''Pre-emption Resolution''	means the resolution to be proposed at the Extraordinary General Meeting in connection with, *inter alia*, the disapplication of pre-emption rights under the Issue;
''Prohibited Shares''	has the meaning given to it in Part X of this Prospectus;
''Project Agreement''	means the agreement between a Project Company and the Client under which the Project Company agrees to procure the construction of the project and the provision of the services;
''Project Company''	means an infrastructure project or concession with a defined expiry date, including a special purpose company (or other entity) formed with the specific purpose of undertaking an infrastructure project;
''Prospectus Rules''	means the prospectus rules made by the FCA under section 73A of FSMA;
''Receiving Agent''	means Capita Registrars Limited;
''Receiving Agent Agreement''	means the receiving agent agreement dated 23 February 2017 between the Company and the Receiving Agent, details of which are set out in Part X of this Prospectus;
''Record Date''	means close of business (UK time) on 20 February 2017;
''Registrar''	means Capita Registrars (Guernsey) Limited;
''Registrar Agreement''	means the registrar services agreement dated 25 March 2015 and made between the Company and the Registrar;
''Regulation S''	means Regulation S under the Securities Act;
''Regulations''	means The Uncertificated Securities (Guernsey) Regulations 2009 (as amended from time to time);
''Regulatory Information Service''	means a regulatory information service approved by the FCA and on the list of Regulatory Information Services maintained by the FCA;
''Rules''	means the rules, including any manuals, issued from time to time by an Authorised Operator governing the admission of securities to and the operation of the Uncertificated System, managed by such Authorised Operator;

''Rules of Engagement''	means the rules established to manage transactions between the Group, the Investment Adviser, or any fund managed by the Investment Adviser;
''Safe-Keeping Services Agreement''	means the safe-keeping services agreement, dated April 2013, between the Company, the Investment Adviser and the Custodian;
''Sàrl''	means a Luxembourg *société à responsabilité limitée*;
''Scrip Shares''	means shares which are issued instead of a cash dividend;
''Securities Act''	means the United States Securities Act of 1933, as amended;
''Shareholders''	means the holders of Ordinary Shares;
''Tap Shares''	means the 66,727,515 Ordinary Shares issued by way of tap issue between 31 March 2016 and the date of this Prospectus;
''Transfer Agent''	means Capita Registrars;
''UK Listing Authority''	means the FCA in its capacity as the competent authority for listing in the UK pursuant to Part VI of FSMA;
''uncertificated'' or **''in uncertificated form''**	means, in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by means of CREST;
''Uncertificated System''	means any computer-based system and its related facilities and procedures that are provided by an Authorised Operator and by means of which title to units of a security (including shares) can be evidenced and transferred in accordance with the Regulations without a written certificate or instrument;
''Underlying Applicants''	means retail investors in the United Kingdom who wish to acquire New Ordinary Shares under the Intermediaries Offer;
''United Kingdom'' or **''UK''**	means the United Kingdom of Great Britain and Northern Ireland;
''United States'' or **''US''**	means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
''US-Guernsey IGA''	means the intergovernmental agreement between Guernsey and the US, pursuant to which Guernsey has implemented FATCA;
''US person''	has the meaning given in Regulation S under the Securities Act;
''Valuation''	means the Directors' calculation of the Fair Market Value of the Group's portfolio on an investment basis as at 31 December 2016; and
''VAT''	means value added tax.

TERMS AND CONDITIONS OF THE OPEN OFFER

1. Introduction

The Record Date for entitlements under the Open Offer for Existing CREST Shareholders and Existing Non-CREST Shareholders is 20 February 2017. Open Offer Application Forms are expected to be posted to Existing Non-CREST Shareholders on or around 23 February 2017 and Open Offer Entitlements are expected to be credited to stock accounts of Existing CREST Shareholders in CREST as soon as possible after 8.00 a.m. on 24 February 2017. The latest time and date for receipt of completed Open Offer Application Forms and payment in full under the Open Offer and settlement of relevant CREST instructions (as appropriate) is expected to be 11.00 a.m. on 17 March 2017 with Admission and commencement of dealings in New Ordinary Shares expected to take place at 8.00 a.m. on 24 March 2017.

This Prospectus and, for Existing Non-CREST Shareholders only, the Open Offer Application Form contain the formal terms and conditions of the Open Offer. Your attention is drawn to paragraph 4 of these Terms and Conditions which gives details of the procedure for application and payment for the New Ordinary Shares available under the Open Offer. The attention of Non-UK Shareholders is drawn to paragraph 6 of these Terms and Conditions.

The New Ordinary Shares will, when issued and fully paid, rank equally in all respects with Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue. For the avoidance of doubt, investors in the New Ordinary Shares will not be entitled to receive the third interim dividend for the financial year ended 31 March 2017.

Applications will be made to the UK Listing Authority for the New Ordinary Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the Main Market.

The Open Offer is an opportunity for Existing Shareholders to apply for, in aggregate, up to 66,315,621 New Ordinary Shares *pro rata* to their current holdings at the Issue Price in accordance with these Terms and Conditions.

The Excess Application Facility is an opportunity for Existing Shareholders who have applied for all of their Open Offer Entitlements to apply for additional New Ordinary Shares. The Excess Application Facility will be comprised of New Ordinary Shares that are not taken up by Existing Shareholders under the Open Offer pursuant to their Open Offer Entitlements, fractional entitlements under the Open Offer and any New Ordinary Shares that the Directors, at their absolute discretion (in consultation with Canaccord Genuity), determine should be reallocated from the Placing and/or Offer for Subscription and/or Intermediaries Offer to satisfy demand from Existing Shareholders in preference to prospective new investors under the Placing and/or Offer for Subscription and/or Intermediaries Offer. There is no limit on the amount of New Ordinary Shares that can be applied for by Existing Shareholders under the Excess Application Facility, save that the maximum amount of New Ordinary Shares to be allotted under the Excess Application Facility shall be limited by the maximum size of the Issue (as may be increased by the Directors up to £260 million) less New Ordinary Shares issued under the Open Offer pursuant to Existing Shareholders' Open Offer Entitlements that are taken up and any New Ordinary Shares that the Directors determine to issue under the Placing and/or the Offer for Subscription and/or the Intermediaries Offer. Allotments under the Excess Application Facility shall be allocated in such manner as the Directors may determine in their absolute discretion (in consultion with Canaccord Genuity), and no assurance can be given that applications by Existing Shareholders will be met in full, in part or at all. In the event of oversubscription under the Excess Application Facility, the Directors (in consultion with Canaccord Genuity) have the discretion (but are not obliged) to limit applications by Existing Shareholders *pro rata* to their aggregate holdings of Existing Ordinary Shares. However, the Directors also have the discretion (but are not obliged) to scale back the Placing and/or Offer for Subscription and/or Intermediaries Offer in favour of the Excess Application Facility by reallocating New Ordinary Shares that would otherwise be available under the Placing and/or Offer for Subscription and/or Intermediaries Offer to Existing Shareholders through the Excess Application Facility. To the extent any New Ordinary Shares remain unallocated pursuant to

Open Offer Entitlements and under the Excess Application Facility, they will be made available under the Placing, the Offer for Subscription and the Intermediaries Offer at the Directors' discretion (in consultation with Canaccord Genuity and the Investment Adviser).

Any Existing Shareholder who has sold or transferred all or part of his/her registered holding(s) of Existing Ordinary Shares prior to 8.00a.m. on the ''ex'' date is advised to consult his or her stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for New Ordinary Shares under the Open Offer may be a benefit which may be claimed from him/her by the purchasers under the rules of the London Stock Exchange.

2. The Open Offer

Subject to these Terms and Conditions (and, in the case of Existing Non-CREST Shareholders, in the Open Offer Application Form), Existing Shareholders are being given the opportunity to apply for any number of New Ordinary Shares at the Issue Price (payable in full on application and free of all expenses) up to a maximum of their Open Offer Entitlement which shall be calculated on the basis of:

1 New Ordinary Share for every 22 Existing Ordinary Shares held on the Record Date

registered in the name of each Existing Shareholder on the Record Date and so in proportion to any other number of Ordinary Shares then registered.

Fractions of New Ordinary Shares will not be issued to Existing Shareholders in the Open Offer. Open Offer Entitlements will be rounded down to the nearest whole number and any fractional entitlements to New Ordinary Shares will be disregarded in calculating Open Offer Entitlements and will be aggregated and made available to Existing Shareholders under the Excess Application Facility. Accordingly, Existing Shareholders with fewer than 22 Existing Ordinary Shares will not receive an Open Offer Entitlement but may apply for Excess Shares under the Excess Application Facility.

Applications by Existing Shareholders will be satisfied in full up to the amount of their individual Open Offer Entitlement.

Existing Shareholders may apply to acquire less than their Open Offer Entitlement should they so wish. In addition, Existing Shareholders may apply to acquire additional New Ordinary Shares using the Excess Application Facility. Please refer to paragraphs 4.1(c) and 4.2(c) of these Terms and Conditions for further details of the Excess Application Facility.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer, as will holdings under different designations and in different accounts.

If you are an Existing Non-CREST Shareholder, the Open Offer Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date (in Box 1).

Existing CREST Shareholders will have New Ordinary Shares representing their Open Offer Entitlement credited to their stock accounts in CREST and should refer to paragraph 4.2 of these Terms and Conditions and also to the CREST Manual for further information on the relevant CREST procedures.

The Open Offer Entitlement, in the case of Existing Non-CREST Shareholders, is equal to the number of New Ordinary Shares shown in Box 2 on the Open Offer Application Form or, in the case of Existing CREST Shareholders, is equal to the number of their New Ordinary Shares representing their Open Offer Entitlement standing to the credit of their stock account in CREST.

The Excess Application Facility enables Existing Shareholders to apply for any whole number of additional New Ordinary Shares in excess of their Open Offer Entitlement. Existing Non-CREST Shareholders who wish to apply to subscribe for more than their Open Offer Entitlement should complete Box 5 on the Open Offer Application Form. Excess applications may be allocated in such manner as the Directors may determine, in their absolute discretion (in consultion with Canaccord Genuity and the Investment Adviser), and no assurance can be given that applications by Existing Shareholders will be met in full or in part or at all.

Existing Shareholders should be aware that the Open Offer is not a rights issue. Existing Non-CREST Shareholders should also note that their respective Open Offer Application Forms are not negotiable documents and cannot be traded.

Existing CREST Shareholders should note that, although the New Ordinary Shares representing their Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Existing Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear UK & Ireland's Claims Processing Unit. New Ordinary Shares not applied for under the Open Offer will not be sold in the market for the benefit of those who do not apply under the Open Offer and Existing Shareholders who do not apply to take up New Ordinary Shares available under the Open Offer will have no rights under the Open Offer. Any New Ordinary Shares which are not applied for in respect of the Open Offer may be issued to Existing Shareholders to meet any valid applications under the Excess Application Facility or will be issued to the subscribers under the Placing and/or the Offer for Subscription and/or Intermediaries Offer, with the proceeds retained for the benefit of the Company.

Application will be made for the Open Offer Entitlements and Excess CREST Open Offer Entitlements to be credited to Existing CREST Shareholders' CREST accounts. The Open Offer Entitlements and Excess CREST Open Offer Entitlements are expected to be credited to CREST accounts as soon as possible after 8.00 a.m. on 24 February 2017.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the New Ordinary Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Application has been made for the Open Offer Entitlements and Excess CREST Open Offer Entitlements to be admitted to CREST.

The New Ordinary Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares. For the avoidance of doubt, investors in New Ordinary Shares will not be entitled to receive the third interim dividend for the financial year ended 31 March 2017.

3. Conditions and further terms of the Open Offer

The Open Offer is conditional:

(a) on the Pre-emption Resolution being passed at the Extraordinary General Meeting;

(b) Admission becoming effective by not later than 8.00 a.m. (London time) on 24 March 2017 (or such later date (being not later than 31 May 2017) as may be provided for in accordance with the terms of the Placing and Offer Agreement);

(c) the Placing and Offer Agreement becoming otherwise unconditional in all respects in relation to the Issue and not being terminated in accordance with its terms before Admission becomes effective; and

(d) not less than an aggregate £50 million (or such lesser amount as the Directors and Canaccord Genuity, in consultation with the Investment Adviser, may agree) of New Ordinary Shares being subscribed for under the Issue.

Accordingly, if these conditions are not satisfied or waived (where capable of waiver), the Issue will not proceed and any applications made by Existing Shareholders will be rejected. In such circumstances, application monies will be returned (at the applicant's sole risk), without payment of interest, as soon as practicable thereafter.

No temporary documents of title will be issued in respect of New Ordinary Shares under the Open Offer held in uncertificated form. Definitive certificates in respect of New Ordinary Shares taken up are expected to be posted to those Existing Shareholders who have validly elected to hold their New Ordinary Shares in certificated form on 31 March 2017. In respect of those Existing Shareholders who have validly elected to hold their New Ordinary Shares in uncertificated form, the New Ordinary Shares are expected to be credited to their stock accounts maintained in CREST by 24 March 2017.

Applications will be made for the New Ordinary Shares to be listed on the premium segment of the Official List and to be admitted to trading on the Main Market. Admission is expected to occur on 24 March 2017, when dealings in the New Ordinary Shares are expected to begin. All monies received by the Registrar in respect of New Ordinary Shares will be placed on deposit in a non-interest bearing account by the Receiving Agent.

If for any reason it becomes necessary to adjust the expected timetable as set out in this Prospectus, the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates. In particular, the Directors have the discretion to extend the last time and/or date for applications under the Open Offer and any such extension will not affect applications already made, which will continue to be irrevocable.

4. Procedure for application and payment

The action to be taken by you in respect of the Open Offer depends on whether, at the relevant time, you have an Open Offer Application Form in respect of your entitlement under the Open Offer or you have New Ordinary Shares representing your Open Offer Entitlement and Excess CREST Open Offer Entitlement credited to your CREST stock account in respect of such entitlement.

Existing Shareholders who hold their Existing Ordinary Shares in certificated form will be issued New Ordinary Shares in certificated form. Existing Shareholders who hold part of their Existing Ordinary Shares in uncertificated form will be issued New Ordinary Shares in uncertificated form to the extent that their entitlement to New Ordinary Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. However, it will be possible for Existing Shareholders to deposit Open Offer Entitlements into, and withdraw them from, CREST. Further information on deposit and withdrawal from CREST is set out in paragraph 4.2(g) of these Terms and Conditions.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST should refer to the CREST Manual for further information on the CREST procedures referred to below.

Existing Shareholders who do not want to apply for the New Ordinary Shares under the Open Offer should take no action and should not complete or return the Open Offer Application Form.

4.1 If you have an Open Offer Application Form in respect of your entitlement under the Open Offer

a) General

Subject as provided in paragraph 6 of these Terms and Conditions in relation to Non-UK Shareholders, Existing Non-CREST Shareholders will receive an Open Offer Application Form. The Open Offer Application Form shows the number of Existing Ordinary Shares registered in their name on the Record Date in Box 1. It also shows the maximum number of New Ordinary Shares for which they are entitled to apply under the Open Offer, as shown by the total number of Open Offer Entitlements allocated to them set out in Box 2. Box 3 shows how much they would need to pay if they wish to take up their Open Offer Entitlements in full. Any fractional entitlements to New Ordinary Shares will be disregarded in calculating Open Offer Entitlements and will be aggregated and made available to Existing Shareholders under the Excess Application Facility.

Any Existing Non-CREST Shareholders with fewer than 22 Existing Ordinary Shares will not receive an Open Offer Entitlement but may apply for Excess Shares pursuant to the Excess Application Facility (see paragraph 4.1(c) of these Terms and Conditions). Existing Non-CREST Shareholders may apply for less than their Open Offer Entitlement should they wish to do so. Existing Non-CREST Shareholders may also hold such an Open Offer Application Form by virtue of a *bona fide* market claim. Existing Non-CREST Shareholders may also apply for Excess Shares under the Excess Application Facility by completing Box 5 of the Open Offer Application Form.

The instructions and other terms set out in the Open Offer Application Form form part of the terms of the Open Offer in relation to Existing Non-CREST Shareholders.

b) Bona fide market claims

Applications to acquire New Ordinary Shares may only be made on the Open Offer Application Form and may only be made by the Existing Non-CREST Shareholder named in it or by a person entitled by virtue of a *bona fide* market claim in relation to a purchase of Existing Ordinary Shares through the market prior to the date upon which the Existing Ordinary Shares were marked ''ex'' the entitlement to participate in the Open Offer. Open

Offer Application Forms may not be assigned, transferred or split, except to satisfy *bona fide* market claims up to 3.00 p.m. on 15 March 2017. The Open Offer Application Form is not a negotiable document and cannot be separately traded. An Existing Non-CREST Shareholder who has sold or otherwise transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked ''ex'' the entitlement to participate in the Open Offer, should consult his broker or other professional adviser as soon as possible, as the invitation to acquire New Ordinary Shares under the Open Offer may be a benefit which may be claimed by the transferee. Existing Non-CREST Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box 8 on the Open Offer Application Form and immediately send it to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. The Open Offer Application Form should not, however be forwarded to or transmitted in or into the United States or to any Excluded Non-UK Shareholders. If the market claim is to be settled outside CREST, the beneficiary of the claim should follow the procedures set out in the accompanying Open Offer Application Form. If the market claim is to be settled in CREST, the beneficiary of the claim should follow the procedure set out in paragraphs 4.2(b) below.

c) *Excess Application Facility*

Existing Shareholders may apply to acquire Excess Shares using the Excess Application Facility, should they wish. Existing Non-CREST Shareholders wishing to apply for Excess Shares, may do so by completing Box 5 of the Open Offer Application Form. The maximum amount of New Ordinary Shares to be issued under the Excess Application Facility (the ''**Maximum Excess Application Number**'') shall be limited to: (a) the maximum size of the Issue; less (b) New Ordinary Shares issued under the Open Offer pursuant to Existing Shareholders' Open Offer Entitlements and any New Ordinary Shares that the Directors determine, in their absolute discretion (in consultation with Canaccord Genuity and the Investment Adviser), to issue under the Placing and/or the Offer for Subscription and/or the Intermediaries Offer. Excess Applications will therefore only be satisfied to the extent that: (a) other Existing Shareholders do not apply for their Open Offer Entitlements in full; (b) where fractional entitlements have been aggregated and made available under the Excess Application Facility; and (c) if the Directors exercise their discretion to reallocate New Ordinary Shares that would otherwise have been available under the Placing, the Offer for Subscription or the Intermediaries Offer to the Excess Application Facility. Existing Shareholders can apply for up to the Maximum Excess Application Number of New Ordinary Shares under the Excess Application Facility, although applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion (in consultation with Canaccord Genuity and the Investment Adviser), and no assurance can be given that the applications by Existing Shareholders will be met in full or in part or at all. Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant's risk) without interest as soon as practicable thereafter by way of cheque or banker's draft, as appropriate.

A credit of 15 million Excess CREST Open Offer Entitlements will be made to each Existing CREST Shareholder; if an existing CREST Shareholder would like to apply for a larger Excess CREST Open Offer Entitlement, such Existing CREST Shareholder should contact Capita Registrars to arrange for a further credit of New Ordinary Shares to its Excess CREST Open Offer Entitlement, subject at all times to the maximum number of New Ordinary Shares available under the Excess Application Facility.

All enquiries in connection with the procedure for application of Excess CREST Open Offer Entitlements should be made to Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

d) Application procedures

Existing Non-CREST Shareholders wishing to apply to acquire all or any of the New Ordinary Shares should complete the Open Offer Application Form in accordance with the instructions printed on it. Completed Open Offer Application Forms together with the appropriate cheques or bankers' drafts should be posted in the accompanying pre-paid envelope for use within the UK only or returned by post or by hand (during normal business hours only) to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU (who will act as Receiving Agent in relation to the Open Offer) so as to be received by the Receiving Agent by no later than 11.00 a.m. on 17 March 2017, after which time Open Offer Application Forms will not be valid.

Existing Non-CREST Shareholders should note that applications, once made, will be irrevocable (save to the extent permitted under statutory law following any publication of a supplementary prospectus by the Company before Admission) and receipt thereof will not be acknowledged. If an Open Offer Application Form is being sent by first-class post in the UK, Existing Shareholders are recommended to allow at least four working days for delivery.

All payments must be in pounds sterling and made by cheque or banker's draft made payable to ''**Capita Registrars Limited re: HICL – Open Offer A/C**'' and crossed ''A/C Payee Only''. Cheques or bankers' drafts must be drawn on a bank or building society or branch of a bank or building society in the United Kingdom or Channel Islands 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 and must be for the full amount payable on application. 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 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 applicant. Post-dated cheques will not be accepted.

Cheques or bankers' drafts will be presented for payment upon receipt. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid acceptances in respect of which cheques are not so honoured. All documents, cheques and bankers' drafts sent through the post will be sent at the risk of the sender. Payments via CHAPS, BACS or electronic transfer will not be accepted.

If cheques or bankers' drafts are presented for payment before the conditions of the Issue are fulfilled, the application monies will be kept in a separate non-interest bearing bank account until all conditions are met. If the Open Offer does not become unconditional, no New Ordinary Shares will be issued and all monies will be returned by cheque or banker's draft as applicable (at the applicant's sole risk), without payment of interest, to applicants as soon as practicable following the lapse of the Open Offer.

The Company may in its sole discretion, but shall not be obliged to, treat an Open Offer Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

(i) Open Offer Application Forms received after 11.00 a.m. on 17 March 2017; or

(ii) applications in respect of which remittances are received before 11.00 a.m. on 17 March 2017 from authorised persons (as defined in FSMA) specifying the New Ordinary Shares applied for and undertaking to lodge the Open Offer Application Form in due course but, in any event, within two Business Days.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk.

e) Effect of application

By completing and delivering an Open Offer Application Form, the applicant:

(i) represents and warrants to the Company and Canaccord Genuity that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer and/or the Excess Application Facility as the case may be, and to execute, deliver and exercise his rights, and perform his obligations under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares and/or Excess Shares or acting on behalf of any such person on a non-discretionary basis;

(ii) agrees with the Company and Canaccord Genuity that all applications under the Open Offer and the Excess Application Facility, and contracts resulting therefrom and any non-contractual obligations arising under or in connection therewith shall be governed by and construed in accordance with the laws of England and Wales;

(iii) confirms to the Company and Canaccord Genuity that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this Prospectus and any supplementary prospectus published by the Company prior to Admission, and the applicant accordingly agrees that no person responsible solely or jointly for this Prospectus or such supplementary prospectus or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this Prospectus, he will be deemed to have had notice of all information in relation to the Company and the New Ordinary Shares contained in this Prospectus;

(iv) represents and warrants to the Company and Canaccord Genuity that he is the Existing Shareholder originally entitled to the Open Offer Entitlement or that he received such Open Offer Entitlement by virtue of a *bona fide* market claim;

(v) represents and warrants to the Company and Canaccord Genuity that if he has received some or all of his Open Offer Entitlement from a person other than the Company he is entitled to apply under the Open Offer in relation to such Open Offer Entitlement by virtue of a *bona fide* market claim;

(vi) requests that the New Ordinary Shares to which he will become entitled be issued to him on the terms set out in this Prospectus and the Open Offer Application Form, subject to the Memorandum and Articles;

(vii) represents and warrants to the Company and Canaccord Genuity that he is not, nor is he applying on behalf of any Excluded Non-UK Shareholder or a person who is in the United States or any jurisdiction in which the application for New Ordinary Shares and/or Excess Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the New Ordinary Shares or Excess Shares which are the subject of his application in the United States or to any Excluded Non-UK Shareholder or for the benefit of any person in any jurisdiction in which the application for New Ordinary Shares and/or Excess Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares under the Open Offer or Excess Shares under the Excess Application Facility;

(viii) confirms that he has reviewed the restrictions contained in these terms and conditions;

(ix) warrants that, if he is an individual, he is not under the age of 18;

(x) agrees that all documents and cheques or bankers' drafts sent by post to, by or on behalf of the Company or the Receiving Agent, will be sent at the risk of the person(s) entitled thereto;

(xi) confirms that in making the application he is not relying and has not relied on Canaccord Genuity or any person affiliated with Canaccord Genuity in connection with any investigation of the accuracy of any information contained in this Prospectus or any supplementary prospectus published by the Company prior to Admission or his investment decision;

(xii) represents and warrants to the Company and Canaccord Genuity that he is not, and nor is he 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 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986; and

(xiii) acknowledges and agrees that, if a supplementary prospectus is issued by the Company in respect of an amendment to the Issue Price then, subject to the applicant not exercising his right to withdraw his application under section 87G of FSMA, the application will be treated as being for such number of New Ordinary Shares and/or Excess Shares as equals the cash amount of the original application divided by the new Issue Price.

All enquiries in connection with the procedure for application and completion of the Open Offer Application Form should be addressed to the Receiving Agent, Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or by calling Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Capita Asset Services are open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Existing Non-CREST Shareholders who do not want to take up or apply for the New Ordinary Shares under the Open Offer should take no action and should not complete or return the Open Offer Application Form.

4.2 If you have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer:

a) General

Subject as provided in paragraph 6 of these Terms and Conditions in relation to certain Non-UK Shareholders, each Existing CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlement equal to the maximum number of New Ordinary Shares for which he is entitled to apply to acquire under the Open Offer. Entitlements to New Ordinary Shares will be rounded down to the nearest whole number and any fractional Open Offer Entitlements will therefore also be rounded down. Any fractional entitlements to New Ordinary Shares will be disregarded in calculating Open Offer Entitlements and will be aggregated and made available to Existing Shareholders under the Excess Application Facility. Any Existing Non-CREST Shareholders with fewer than 22 Existing Ordinary Shares will not receive an Open Offer Entitlement but may apply for Excess Shares pursuant to the Excess Application Facility.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Existing CREST Shareholder in respect of which the Open Offer Entitlement and Excess CREST Open Offer Entitlement have been allocated.

If for any reason the Open Offer Entitlements and/or Excess CREST Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Existing CREST Shareholders cannot be credited by, 8.00 a.m. on 24 February 2017, or such later time and/or date as the Company may decide, an Open Offer Application Form will be sent to each Existing CREST Shareholder in substitution for the Open Offer Entitlement and Excess CREST Open Offer Entitlement which should have been credited to his stock account in CREST. In these circumstances, the expected timetable as set out in this Prospectus will be adjusted as appropriate and the provisions of this Prospectus applicable to Existing Non-CREST Shareholders with Open Offer Application Forms will apply to Existing CREST Shareholders who receive such Open Offer Application Forms.

CREST members who wish to apply to acquire some or all of their entitlements to New Ordinary Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at

the applicable international rate. Capita Asset Services are open between 9.00 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays) in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for New Ordinary Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

b) Market claims

Each of the Open Offer Entitlements and the Excess CREST Open Offer Entitlements will constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and the Excess CREST Open Offer Entitlements may only be made by the Existing Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as ''cum'' the Open Offer Entitlement and the Excess CREST Open Offer Entitlements will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) and Excess CREST Open Offer Entitlement(s) will thereafter be transferred accordingly.

c) Excess Application Facility

Existing Shareholders may apply to acquire Excess Shares using the Excess Application Facility, should they wish. The Excess Application Facility enables Existing CREST Shareholders to apply for Excess Shares in excess of their Open Offer Entitlement.

An Excess CREST Open Offer Entitlement may not be sold or otherwise transferred. Subject as provided in paragraph 6 of these Terms and Conditions, the CREST accounts of Existing CREST Shareholders will be credited with an Excess CREST Open Offer Entitlement of 50 million Excess Shares (due to CREST limits on size) in order for any applications for Excess Shares to be settled through CREST. If an Existing Shareholder wishes to apply for more Excess Shares, such Existing CREST Shareholder should contact Capita Asset Services to arrange for a further credit up to the maximum amount of New Ordinary Shares to be issued under the Excess Application Facility.

Existing CREST Shareholders should note that, although the Open Offer Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of *bona fide* market claims only). Neither the Open Offer Entitlements nor the Excess CREST Open Offer Entitlements will be tradable or listed and applications in respect of the Open Offer may only be made by the Existing Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

To apply for Excess Shares pursuant to the Excess Application Facility, Existing CREST Shareholders should follow the instructions in paragraph 4.2(f) below and must not return a paper application form and cheque.

Should a transaction be identified by the CREST Claims Processing Unit as ''cum'' the Open Offer Entitlement and the relevant Open Offer Entitlement be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Open Offer Entitlement claim, but will be transferred as a separate claim. Should an Existing CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess CREST Open Offer Entitlement credited to CREST and allocated to the relevant Existing Shareholder will be transferred to the purchaser. Please note that a separate USE Instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

The maximum amount of New Ordinary Shares to be issued under the Excess Application Facility (the ''**Maximum Excess Application Number**'') shall be limited to: (a) the maximum size of the Issue; less (b) New Ordinary Shares issued under the Open Offer pursuant to the Existing Shareholder's Open Offer Entitlement and any New Ordinary Shares that the Directors determine, in their absolute discretion (in consultation with Canaccord Genuity and the Investment Adviser), to issue under the Placing and/or the Offer for Subscription and/or the Intermediaries Offer. Excess Applications will therefore only be satisfied to the extent that: (a) other Existing Shareholders do not apply for their Open Offer Entitlements in full; (b) where fractional entitlements have been aggregated and made available under the Excess

Application Facility; and (c) if the Directors exercise their discretion to reallocate New Ordinary Shares that would otherwise have been available under the Placing, the Offer for Subscription or the Intermediaries Offer to the Excess Application Facility. Existing Shareholders can apply for up to the Maximum Excess Application Number of New Ordinary Shares under the Excess Application Facility, although applications under the Excess Application Facility shall be allocated in such manner as the Directors may determine, in their absolute discretion (in consultation with Canaccord Genuity and the Investment Adviser), and no assurance can be given that the applications by Existing Shareholders will be met in full or in part or at all. Excess monies in respect of applications which are not met in full will be returned to the applicant (at the applicant's risk) without interest as soon as practicable thereafter by way of CREST payment.

All enquiries in connection with the procedure for application of Excess CREST Open Offer Entitlements should be made to Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Capita Asset Services are open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

d) *USE instructions*

Existing CREST Shareholders who are CREST members and who want to apply for New Ordinary Shares in respect of all or some of their Open Offer Entitlements and/or Excess CREST Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE Instruction to Euroclear UK & Ireland which, on its settlement, will have the following effect:

(i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with a number of Open Offer Entitlements and Excess CREST Open Offer Entitlements corresponding to the number of New Ordinary Shares applied for; and

(ii) the creation of a CREST payment, in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE Instruction which must be the full amount payable on application for the number of New Ordinary Shares referred to in (i) above.

e) *Content of USE Instruction in respect of Open Offer Entitlements*

The USE Instruction must be properly authenticated in accordance with Euroclear UK & Ireland's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

(i) the number of New Ordinary Shares for which application is being made (and hence the number of the Open Offer Entitlement(s) being delivered to the Receiving Agent);

(ii) the ISIN of the New Ordinary Shares applied for under the Existing Shareholder's basic entitlement under the Open Offer Entitlement. This is GG00BYXR0H29;

(iii) the CREST participant ID of the accepting CREST member;

(iv) the CREST member account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;

(v) the participant ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 7RA33;

(vi) the member account ID of the Receiving Agent in its capacity as a CREST receiving agent. This is 29047HIC;

(vii) the amount payable by means of a CREST payment on settlement of the USE Instruction. This must be the full amount payable on application for the number of New Ordinary Shares referred to in (i) above;

(viii) the intended settlement date. This must be on or before 11.00 a.m. on 17 March 2017; and

(ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE Instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 17 March 2017. In order to assist prompt settlement of the USE Instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE Instruction:

(i) a contact name and telephone number (in the free format shared note field); and

(ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE Instruction may settle on 17 March 2017 in order to be valid is 11.00 a.m. on that day. If the Issue does not become unconditional by 8.00 a.m. on 24 March 2017 or such later time and date as the Company and Canaccord Genuity determine (being no later than 31 May 2017), the Issue will lapse, the Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by an Existing CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter.

f) Content of USE instruction in respect of Excess CREST Open Offer Entitlements

The USE Instruction must be properly authenticated in accordance with Euroclear UK & Ireland specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

(i) the number of Excess Shares for which the application is being made (and hence the number of the Excess CREST Open Offer Entitlement(s) being delivered to the Receiving Agent);

(ii) the ISIN of the Excess CREST Open Offer Entitlement. This is GG00BYXR0J43;

(iii) the CREST participant ID of the accepting CREST member;

(iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;

(v) the participant ID of the Receiving Agent. This is 7RA33;

(vi) the member account ID of the Receiving Agent. This is 29047HIC;

(vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Excess Shares referred to in paragraph (f)(i) above;

(viii) the intended settlement date. This must be on or before 11.00 a.m. on 17 March 2017; and

(ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for the application in respect of an Excess CREST Open Offer Entitlement under the Excess Application Facility to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 17 March 2017.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

(i) a contact name and telephone number (in the free format shared note field); and

(ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 17 March 2017 in order to be valid is 11.00 a.m. on that day. Please note that automated CREST generated claims and buyer protection will not be offered on the Excess CREST Open Offer Entitlement security.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 24 March 2017 or such later time and date as the Directors and Canaccord Genuity may agree (being no later than 31 May 2017), the Open Offer and the Excess Application Facility will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will

be disabled and the Receiving Agent will refund the amount paid by an Existing CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter. The interest earned on such monies will be retained for the benefit of the Company.

g) Deposit of Open Offer Entitlements into, and withdrawal from, CREST

An Existing Non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Open Offer Application Form may be deposited into CREST (either into the account of the Existing Shareholder named in the Open Offer Application Form or into the name of a person entitled thereto by virtue of a *bona fide* market claim). Similarly, Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Open Offer Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Open Offer Application Form.

A holder of an Open Offer Application Form who is proposing to deposit the entitlement set out in such form into CREST is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlement and the entitlement to apply under the Excess Application Facility following their deposit into CREST to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 17 March 2017. After depositing their Open Offer Entitlement into their CREST account, CREST holders will, shortly after that, receive a credit for their Excess CREST Open Offer Entitlement, which will be managed by the Receiving Agent.

In particular, having regard to normal processing times in CREST and on the part of the Registrar, the recommended latest time for depositing an Open Offer Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Open Offer Application Form as an Open Offer Entitlement or Excess CREST Open Offer Entitlements in CREST, is 3.00 p.m. on 14 March 2017 and the recommended latest time for receipt by Euroclear UK & Ireland of a dematerialised instruction requesting withdrawal of Open Offer Entitlements or Excess CREST Open Offer Entitlements from CREST is 4.30 p.m. on 13 March 2017 in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements or Excess CREST Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Open Offer Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements or Excess CREST Open Offer Entitlements prior to 11.00 a.m. on 17 March 2017. CREST holders inputting the withdrawal of their Open Offer Entitlement from their CREST account must ensure that they withdraw both their Open Offer Entitlement and the Excess CREST Open Offer Entitlement.

Delivery of an Open Offer Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Existing Shareholder named in the Open Offer Application Form or into the name of another person in respect of *a bona fide* market claim, shall constitute a representation and warranty to the Company and the Registrar by the relevant CREST Member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed ''Instructions for depositing Open Offer Entitlements into CREST'' in the Open Offer Application Form, and a declaration to the Company and the Receiving Agent from the relevant CREST Member(s) that it/they is/are not in the United States or an Excluded Non-UK Shareholder or a person in any jurisdiction in which the application for New Ordinary Shares or Excess Shares is prevented by law and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST Member(s) is/are entitled to apply under the Open Offer and the Excess Application Facility by virtue of a *bona fide* market claim.

h) Validity of application

A USE Instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 17 March 2017 will constitute a valid and irrevocable (subject to statutory rights of withdrawal) application under the Open Offer.

i) CREST procedures and timings

CREST members and (where applicable) their CREST sponsors should note that Euroclear UK & Ireland does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE Instruction and its settlement in connection with the Open Offer and the Excess Application Facility. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 17 March 2017. In connection with this CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

j) Incorrect or incomplete applications

If a USE Instruction includes a CREST payment for an incorrect sum, the Company, through the Receiving Agent, reserves the right:

(i) to reject the application in full and refund the payment to the CREST member in question (without interest);

(ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of New Ordinary Shares and/or Excess Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and

(iii) in the case that an excess sum is paid, to treat the application as a valid application for all the New Ordinary Shares and/or Excess Shares referred to in the USE Instruction, refunding any unutilised sum to the CREST member in question (without interest).

k) Effect of valid application

A CREST member who makes or is treated as making a valid application in accordance with the above procedures thereby:

(i) represents and warrants to the Company and Canaccord Genuity that he has the right, power and authority, and has taken all action necessary, to make the application under the Open Offer or the Excess Application Facility, as the case may be, and to execute, deliver and exercise his rights, and perform his obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares and/or Excess Shares or acting on behalf of any such person on a non-discretionary basis;

(ii) agrees to pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);

(iii) agrees with the Company and Canaccord Genuity that all applications and contracts resulting therefrom under the Open Offer and the Excess Application Facility and any non-contractual obligations arising under or in connection therewith shall be governed by, and construed in accordance with, the laws of England and Wales;

(iv) confirms to the Company and Canaccord Genuity that in making the application he is not relying on any information or representation in relation to the Company other than that contained in this Prospectus and any supplementary prospectus provided by the Company prior to Admission, and the applicant accordingly agrees that no person responsible solely or jointly for this Prospectus or any such supplementary prospectus or any part thereof, or involved in the preparation thereof, shall have any liability for any such information or representation not so contained and further agrees that, having had the opportunity to read this Prospectus, he will be deemed to have had notice of all the information in relation to the Company and the New Ordinary Shares contained in this Prospectus;

(v) represents and warrants to the Company and Canaccord Genuity that he is the Existing Shareholder originally entitled to the Open Offer Entitlement and Excess CREST Open Offer Entitlement or that he has received such Open Offer Entitlement and Excess CREST Open Offer Entitlement by virtue of a *bona fide* market claim;

(vi) represents and warrants to the Company and Canaccord Genuity that if he has received some or all of his Open Offer Entitlement and Excess CREST Open Offer Entitlements from a person other than the Company, he is entitled to apply under the Open Offer and Excess Application Facility in relation to such Open Offer Entitlement and Excess CREST Open Offer Entitlement by virtue of a *bona fide* market claim.

(vii) subject to certain limited exceptions, requests that the New Ordinary Shares to which he will become entitled be issued to him on the terms set out in this Prospectus, subject to the Memorandum and Articles;

(viii) represents and warrants to the Company and Canaccord Genuity that he is not, nor is he applying on behalf of any Shareholder who is, in the United States or is an Excluded Non-UK Shareholder or a person in any jurisdiction in which the application for New Ordinary Shares and/or Excess Shares is prevented by law and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the New Ordinary Shares or Excess Shares which are the subject of his application in the United States or to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of any other Excluded Territory or any jurisdiction in which the application for New Ordinary Shares and/or Excess Shares is prevented by law (except where proof satisfactory to the Company has been provided to the Company that he is able to accept the invitation by the Company free of any requirement which it (in its absolute discretion) regards as unduly burdensome), nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares under the Open Offer or Excess Shares under the Excess Application Facility;

(ix) confirms that he has reviewed the restrictions contained in these terms and conditions;

(x) warrants that, if he is an individual, he is not under the age of 18;

(xi) agrees that all documents and cheques or bankers' drafts sent by post to, by or on behalf of the Company or the Receiving Agent, will be sent at the risk of the person(s) entitled thereto;

(xii) confirms that in making the application he is not relying and has not relied on Canaccord Genuity or any person affiliated with Canaccord Genuity in connection with any investigation of the accuracy of any information contained in this Prospectus or any supplementary prospectus provided by the Company prior to Admission or his investment decision;

(xiii) represents and warrants that he is not, and nor is he 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 93 (depository receipts) or section 96 (clearance services) of the Finance Act 1986; and

(xiv) acknowledges and agrees that, if a supplementary prospectus is issued by the Company in respect of an amendment to the Issue Price then, subject to the CREST member not exercising his right to withdraw his application under section 87G of FSMA, the application will be treated as being for such number of New Ordinary Shares and/or Excess Shares as equals the cash amount of the original application divided by the new Issue Price.

l) Company's discretion as to the rejection and validity of applications

The Company may in its sole discretion:

(i) treat as valid (and binding on the CREST Member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in these Terms and Conditions;

(ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE Instruction and subject to such further terms and conditions as the Company may determine;

(iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "**first instruction**") as not constituting a valid application if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent has received actual notice from Euroclear UK & Ireland of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and

(iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE Instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for New Ordinary Shares and/or Excess Shares by means of the above procedures. In normal circumstances, this discretion 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 systems operated by the Receiving Agent in connection with CREST.

m) Lapse of the Open Offer

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 24 March 2017 or such later time and date as the Company and Canaccord Genuity may agree (being no later than 31 May 2017), the Open Offer and the Excess Application Facility will lapse, the Open Offer Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by an Existing CREST Shareholder by way of a CREST payment, without interest, as soon as practicable thereafter. The interest earned on such monies, if any, will be retained for the benefit of the Company.

5. Anti-money laundering regulations

5.1 Holders of Open Offer Application Forms

To ensure compliance with the Money Laundering Regulations, the Receiving Agent may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Open Offer Application Form is lodged with payment (which requirements are referred to below as the "**verification of identity requirements**"). If the Open Offer Application Form is submitted by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements are the responsibility of such broker or intermediary and not of the Receiving Agent. In such case, the lodging agent's stamp should be inserted on the Open Offer Application Form.

The person lodging the Open Offer Application Form with payment and in accordance with the other terms as described above (the "**acceptor**"), including any person who appears to the Receiving Agent to be acting on behalf of some other person, accepts the Open Offer in respect of such number of New Ordinary Shares and/or Excess Shares as is referred to therein (for the purposes of this paragraph 5, the "**relevant New Ordinary Shares**") shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as the Receiving Agent may require to satisfy the verification of identity requirements.

If the Receiving Agent determines that the verification of identity requirements apply to any acceptor or application, the relevant New Ordinary Shares (notwithstanding any other term of the Open Offer) will not be issued to the relevant acceptor unless and until the verification of identity requirements have been satisfied in respect of that acceptor or application. The Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any acceptor or application and whether such requirements

have been satisfied, and neither the Receiving Agent nor the Company will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements apply, failure to provide the necessary evidence of identity within a reasonable time may result in delays in the despatch of share certificates or in crediting CREST accounts. If, within a reasonable time following a request for verification of identity, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the monies payable on acceptance of the Open Offer or under the Excess Application Facility will be returned (at the acceptor's risk) without interest to the account of the bank or building society on which the relevant cheque or banker's draft was drawn.

Submission of an Open Offer Application Form with the appropriate remittance will constitute a warranty to each of the Company, the Registrar, and Canaccord Genuity from the applicant that the Money Laundering Regulations will not be breached by application of such remittance.

The verification of identity requirements will not usually apply:

a) if the applicant is an organisation required to comply with the Money Laundering Directive (the Council Directive on prevention of the use of the financial system for the purpose of money laundering (no. 91/308/EEC));

b) if the acceptor is a regulated United Kingdom broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;

c) if the applicant (not being an applicant who delivers his application in person) makes payment by way of a cheque drawn on an account in the applicant's name; or

d) if the aggregate subscription price for the New Ordinary Shares is less than the sterling equivalent of €15,000.

In other cases the verification of identity requirements may apply. Satisfaction of these requirements may be facilitated in the following ways:

a) if payment is made by cheque or banker's draft in sterling drawn on a branch in the United Kingdom of a bank or building society which bears a UK bank sort code number in the top right hand corner the following applies. Cheques should be made payable to "**Capita Registrars Limited re: HICL – Open Offer A/C**" in respect of an application by an Existing Shareholder and crossed "A/C Payee Only". 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 shareholder; or

b) if the Open Offer Application Form is lodged with payment by an agent which is an organisation of the kind referred to in (a) above or which is subject to anti-money laundering regulation in a country which is a member of the Financial Action Task Force (the non-European Union members of which are Argentina, Australia, Brazil, Canada, China, Hong Kong, Iceland, India, Japan, Malaysia, Mexico, New Zealand, Norway, Republic of Korea, Russian Federation, Singapore, South Africa, Switzerland, Turkey and the US and, by virtue of their membership of the Gulf Cooperation Council, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates), the agent should provide with the Open Offer Application Form written confirmation that it has that status and a written assurance that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Registrar. If the agent is not such an organisation, it should contact the Registrar.

To confirm the acceptability of any written assurance referred to in (b) above, or in any other case, the acceptor should contact Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Capita Asset Services are open between 9.00 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays) in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

If the Open Offer Application Form(s) is/are in respect of the relevant New Ordinary Shares with an aggregate subscription price of the sterling equivalent of €15,000 or more and is/are lodged by hand by the acceptor in person, or if the Open Offer Application Form(s) in respect of the relevant New Ordinary Shares is/are lodged by hand by the acceptor and the accompanying payment is not the acceptor's own cheque, he or she should ensure that he or she has with him or her evidence of identity bearing his or her photograph (for example, his or her passport) and separate evidence of his or her address.

If, within a reasonable period of time following a request for verification of identity, and in any case by no later than 11.00 a.m. on 17 March 2017, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Receiving Agent may, at its discretion, as agent of the Company, reject the relevant application, in which event the monies submitted in respect of that application will be returned without interest in the manner in which they were sent (without prejudice to the rights of the Company to undertake proceedings to recover monies in respect of the loss suffered by it as a result of the failure to produce satisfactory evidence as aforesaid).

5.2 Open Offer Entitlements and Excess CREST Open Offer Entitlements in CREST

If you hold your Open Offer Entitlement and Excess CREST Open Offer Entitlement in CREST and apply for New Ordinary Shares in respect of all or some of your Open Offer Entitlement and Excess CREST Open Offer Entitlements as agent for one or more persons and you are not a UK or EU regulated person or institution (e.g. a UK financial institution), then, irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE Instruction (which on its settlement constitutes a valid application as described above) constitutes a warranty and undertaking by the applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the relevant New Ordinary Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the relevant New Ordinary Shares represented by the USE Instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

6. Non-UK Shareholders

This Prospectus has been approved by the FCA, being the competent authority in the United Kingdom.

Accordingly, the making of the Open Offer (including the Excess Application Facility) to persons resident in, or who are citizens of, or who have a registered address in, countries other than the United Kingdom may be affected by the law or regulatory requirements of the relevant jurisdiction. The comments set out in this paragraph 6 are intended as a general guide only and any Non-UK Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

6.1 General

The distribution of this Prospectus and the making of the Open Offer (including the Excess Application Facility) to persons who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or agents, custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for New Ordinary Shares under the Open Offer or Excess Shares under the Excess Application Facility.

No action has been or will be taken by the Company, Canaccord Genuity, or any other person, to permit a public offering or distribution of this Prospectus (or any other offering or publicity materials or Open Offer Application Form(s) relating to the New Ordinary Shares or the Excess Shares) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom.

Save as set out below, as at the date of this Prospectus, the Company has not sought any approval to offer New Ordinary Shares or Excess Shares to professional investors in any EEA state other than the UK, Ireland and Sweden. Accordingly, the Open Offer (including the Excess Application Facility) is not being made to Shareholders in other EEA states.

Receipt of this Prospectus and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this Prospectus and/or the Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed. Open Offer Application Forms will not be sent to, and Open Offer Entitlements and Excess CREST Open Offer Entitlements will not be credited to stock accounts in CREST of, Excluded Non-UK Shareholders or persons with registered addresses in the United States or their agents or intermediaries, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this Prospectus and/or an Open Offer Application Form in any territory other than the United Kingdom and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such Open Offer Application Form and/or credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST unless, in the relevant territory in which the Open Offer Application Form is received or in which the person is resident or located, such an invitation or offer could lawfully be made to him or her and such Open Offer Application Form and/or credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this Prospectus and/or the Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed. It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for New Ordinary Shares under the Open Offer or Excess Shares under the Excess Application Facility to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory.

None of the Company, Canaccord Genuity, or any of their respective representatives is making any representation to any offeree or purchaser of the New Ordinary Shares or Excess Shares regarding the legality of an investment in the New Ordinary Shares or Excess Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this Prospectus and/or an Open Offer Application Form and/or a credit of Open Offer Entitlements or Excess CREST Open Offer Entitlements to a stock account in CREST, in connection with the Open Offer, the Excess Application Facility or otherwise, should not distribute or send either of those documents nor transfer Open Offer Entitlements or Excess CREST Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this Prospectus and/or an Open Offer Application Form and/or a credit of Open Offer Entitlement or Excess CREST Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for New Ordinary Shares in respect of the Open Offer or Excess Shares under the Excess Application Facility unless the Company and Canaccord Genuity determine that such action would not violate applicable legal or regulatory requirements. Any person (including,

without limitation, custodians, agents, nominees and trustees) who does forward a copy of this Prospectus and/or an Open Offer Application Form and/or transfers Open Offer Entitlements or Excess CREST Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of these Terms and Conditions and specifically the contents of this paragraph 6.

Subject to paragraphs 6.2 to 6.6 below, any person (including, without limitation, custodians, agents, nominees and trustees) outside of the United Kingdom wishing to apply for New Ordinary Shares in respect of the Open Offer and/or Excess Shares under the Excess Application Facility must satisfy himself or herself as to the full observance of the applicable laws of any relevant territory, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories.

The Company reserves the right to treat as invalid any application or purported application for New Ordinary Shares and/or Excess Shares that appears to the Company or its agents to have been executed, effected or dispatched from the United States or another Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of New Ordinary Shares and/or Excess Shares or in the case of a credit of Open Offer Entitlement or Excess CREST Open Offer Entitlement to a stock account in CREST, to a CREST member whose registered address would be in the United States or who is an Excluded Non-UK Shareholder or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

The attention of Non-UK Shareholders is drawn to paragraphs 6.2 to 6.6 below.

Notwithstanding any other provision of this Prospectus or the relevant Open Offer Application Form, the Company reserves the right to permit any person to apply for New Ordinary Shares in respect of the Open Offer or Excess Shares under the Excess Application Facility if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Non-UK Shareholders who wish, and are permitted, to apply for New Ordinary Shares and/or Excess Shares should note that payment must be made in sterling denominated cheques or bankers' drafts or where such Non-UK Shareholder is an Existing CREST Shareholder, through CREST.

Due to restrictions under the securities laws of the United States and the Excluded Territories, Excluded Non-UK Shareholders or Shareholders in the United States will not qualify to participate in the Open Offer (including the Excess Application Facility) and will not be sent an Open Offer Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlement or Excess CREST Open Offer Entitlement.

The New Ordinary Shares and the Excess Shares have not been and will not be registered under the relevant laws of the United States or any Excluded Territory or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into the United States or any Excluded Territory or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Excluded Territory except pursuant to an applicable exemption.

No public offer of New Ordinary Shares or the Excess Shares is being made by virtue of this Prospectus or the Open Offer Application Forms into the United States or any Excluded Territory. Receipt of this Prospectus and/or an Open Offer Application Form and/or a credit of an Open Offer Entitlement or Excess CREST Open Offer Entitlement to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this Prospectus and/or the Open Offer Application Form must be treated as sent for information only and should not be copied or redistributed.

6.2 The United States

None of the New Ordinary Shares, the Excess Shares, the Open Offer Entitlements or the Excess CREST Open Offer Entitlements have been or will be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The Company has not been and will not be registered as an ''investment company'' under the Investment Company Act, and investors will not be entitled to the benefits of the Investment Company Act. Accordingly, the New Ordinary Shares, the Excess Shares, the Open Offer Entitlements and the Excess CREST Open Offer Entitlements may not be offered, sold, taken up, exercised, resold, renounced, distributed, delivered, pledged or otherwise transferred directly or indirectly in or into the United States, except pursuant to an applicable exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of the Existing Ordinary Shares, the New Ordinary Shares or the Excess Shares in the United States.

Accordingly, the Open Offer (including the Excess Application Facility) is not being made in the United States and none of this Prospectus, the Open Offer Application Form nor the crediting of Open Offer Entitlements to a stock account in CREST constitutes or will constitute an offer, or an invitation to apply for, or an offer or invitation to acquire any New Ordinary Shares or the Excess Shares in the United States. This Prospectus will not be sent to any Shareholder with a registered address or who is otherwise located in the United States.

Any person who acquires New Ordinary Shares and/or Excess Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this Prospectus and/or the Open Offer Application Form or by applying for New Ordinary Shares in respect of Open Offer Entitlement or Excess Shares in respect of Excess CREST Open Offer Entitlements credited to a stock account in CREST and delivery of the New Ordinary Shares and/or Excess Shares, that (1) they are not, and that at the time of acquiring the New Ordinary Shares or Excess Shares they will not be, in the United States or applying for New Ordinary Shares or Excess Shares on behalf of, or for the account of, persons in the United States unless an exemption under applicable securities law or regulation applies, and (2) they are not applying for the New Ordinary Shares or Excess Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any New Ordinary Shares, Excess Shares into the United States.

The Company reserves the right to treat as invalid any Open Offer Application Form (or renunciation thereof) that appears to the Company or its agents to have been executed in or despatched from the United States, or that provides an address in the United States for the acceptance of the Open Offer, or where the Company believes such acceptance may infringe applicable legal or regulatory requirements. The Company will not be bound to allot or issue any New Ordinary Shares or Excess Shares to any person or to any person who is, or who is acting on behalf of or for the account or benefit of any person on a non-discretionary basis, with an address in or who is otherwise located in the United States in whose favour an Open Offer Application Form or any New Ordinary Shares or Excess Shares may be transferred. In addition, the Company and Canaccord Genuity reserve the right to reject any many-to-many instruction sent by or on behalf of any CREST Member with a registered address or who is otherwise located in the United States in respect of New Ordinary Shares or Excess Shares or who does not make the above warranty. Any payment made in respect of Open Offer Application Forms under any of these circumstances will be returned without interest.

6.3 Excluded Territories

Due to restrictions under the securities laws of the Excluded Territories, Shareholders who have a registered address in, or who are resident or ordinarily resident in, or citizens of, any Excluded Territory, will not qualify to participate in the Open Offer (including the Excess Application Facility) and will not be sent an Open Offer Application Form nor will their stock accounts in CREST be credited with Open Offer Entitlements or Excess CREST Open Offer Entitlements.

The New Ordinary Shares and the Excess Shares have not been and will not be registered under the relevant laws of any Excluded Territory or any state, province or territory thereof and may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into

any Excluded Territory or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, or a citizen of, any Excluded Territory except pursuant to an applicable exemption.

No offer of New Ordinary Shares or Excess Shares is being made by virtue of this Prospectus or the Open Offer Application Forms into any Excluded Territory.

6.4 Non-UK territories other than Excluded Territories

Open Offer Application Forms will be sent to Existing Non-CREST Shareholders and Open Offer Entitlements will be credited to the stock account in CREST of Existing CREST Shareholders. Existing Shareholders in jurisdictions other than the United States or the Excluded Territories may, subject to the laws of their relevant jurisdiction, take up New Ordinary Shares under the Open Offer and apply for Excess Shares under the Excess Application Facility in accordance with the instructions set out in this Prospectus and the Open Offer Application Form. Existing Shareholders who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, countries other than the United Kingdom should, however, consult appropriate professional advisers as to whether they require any governmental or other consents or need to observe any further formalities to enable them to apply for any New Ordinary Shares in respect of the Open Offer.

6.5 Representations and warranties relating to Non-UK Shareholders

a) ***Existing Non-Crest Shareholders***

Any person completing and returning an Open Offer Application Form or requesting registration of the New Ordinary Shares comprised therein and/or in respect of any Excess Shares represents and warrants to the Company, Canaccord Genuity and the Registrar that, except where proof has been provided to the Company's satisfaction that such person's use of the Open Offer Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant New Ordinary Shares or Excess Shares from within the United States or any Excluded Territory; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to acquire New Ordinary Shares in respect of the Open Offer or any Excess Shares under the Excess Application Facility or to use the Open Offer Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis for a person located within any Excluded Territory (except as agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not acquiring New Ordinary Shares or Excess Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares or Excess Shares into any of the above territories. The Company and/or the Registrar may treat as invalid any acceptance or purported acceptance of the allotment of New Ordinary Shares comprised in an Open Offer Application Form or any Excess Shares applied for under the Excess Application Facility if it: (i) appears to the Company or its agents to have been executed, effected or dispatched from the United States or an Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; or (ii) provides an address in an Excluded Territory for delivery of the share certificates of New Ordinary Shares or Excess Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this sub-paragraph (a).

b) ***Existing Crest Shareholders***

A CREST member or CREST sponsored member who makes a valid acceptance in accordance with the procedures set out in these Terms and Conditions represents and warrants to the Company and Canaccord Genuity that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) he or she is not accepting within the United States or any Excluded Territory; (ii) he or she is not accepting in any territory in which it is unlawful to make or accept an offer to acquire New Ordinary Shares or Excess Shares; (iii) he or she is not accepting on a non-discretionary basis for a person located within any Excluded Territory (except as otherwise agreed with the Company) or any territory referred to in (ii) above at the time the instruction to accept was given; and

(iv) he or she is not acquiring any New Ordinary Shares or Excess Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Ordinary Shares or Excess Shares into any of the above territories.

6.6 Waiver

The provisions of this paragraph 6 and of any other terms of the Open Offer relating to Non-UK Shareholders may be waived, varied or modified as regards specific Shareholders or on a general basis by the Company and Canaccord Genuity in their absolute discretion. Subject to this, the provisions of this paragraph 6 supersede any terms of the Open Offer (including the Excess Application Facility) inconsistent herewith. References in this paragraph 6 to Shareholders shall include references to the person or persons executing an Open Offer Application Form and, in the event of more than one person executing an Open Offer Application Form, the provisions of this paragraph 6 shall apply to them jointly and to each of them.

7. Admission, settlement and dealings

The result of the Open Offer is expected to be announced by 8.00 am on 22 March 2017. Applications will be made to the UK Listing Authority for the New Ordinary Shares and the Excess Shares to be admitted to the premium segment of the Official List and to the London Stock Exchange for the New Ordinary Shares and the Excess Shares to be admitted to trading on the Main Market. It is expected that Admission will become effective and that dealings in the New Ordinary Shares and the Excess Shares, fully paid, will commence at 8.00 a.m. on 24 March 2017.

The Existing Ordinary Shares are already admitted to CREST. No further application for admission to CREST is accordingly required for the New Ordinary Shares or the Excess Shares. All such shares, when issued and fully paid, may be held and transferred by means of CREST.

Open Offer Entitlements and Excess CREST Open Offer Entitlements held in CREST are expected to be disabled in all respects after 11.00 a.m. on 17 March 2017 (the latest date for applications under the Open Offer). If the condition(s) to the Open Offer described above are satisfied, New Ordinary Shares and Excess Shares will be issued in uncertificated form to those persons who submitted a valid application for New Ordinary Shares or Excess Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. The stock accounts to be credited will be accounts under the same CREST participant IDs and CREST member account IDs in respect of which the USE Instruction was given.

Notwithstanding any other provision of this Prospectus, the Company reserves the right to send Existing CREST Shareholders an Open Offer Application Form instead of crediting the relevant stock account with Open Offer Entitlements and Excess CREST Open Offer Entitlements, and to allot and/or issue any New Ordinary Shares and Excess Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of the facilities and/or systems operated by the Registrar in connection with CREST.

For Existing Non-CREST Shareholders who have applied by using an Open Offer Application Form, share certificates in respect of the New Ordinary Shares and Excess Shares validly applied for are expected to be despatched by post on 31 March 2017. No temporary documents of title will be issued and, pending the issue of definitive certificates, transfers will be certified against the share register of the Company. All documents or remittances sent by or to applicants, or as they may direct, will be sent through the post at their own risk. For more information as to the procedure for application, Existing Non-CREST Shareholders are referred to paragraph 4.1 above and their respective Open Offer Application Form.

8. Times and dates

The Company shall, in agreement with Canaccord Genuity and after consultation with its financial and legal advisers, be entitled to amend the dates that Open Offer Application Forms are despatched or amend or extend the latest date for acceptance under the Open Offer and all related dates set out in this Prospectus and in such circumstances shall notify the UK Listing Authority, and make an announcement on a Regulatory Information Service approved by the UK Listing Authority but Existing Shareholders may not receive any further written communication.

If a supplementary prospectus is issued by the Company two or fewer Business Days prior to the latest time and date for acceptance and payment in full under the Open Offer specified in this

Prospectus, the latest date for acceptance under the Open Offer shall be extended to the date that is three Business Days after the date of issue of the supplementary prospectus (and the dates and times of principal events due to take place following such date shall be extended accordingly).

9. Governing law and jurisdiction

The terms and conditions of the Open Offer and the Excess Application Facility as set out in this Prospectus, the Open Offer Application Form and any non-contractual obligation related thereto shall be governed by, and construed in accordance with, English law. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer and the Excess Application Facility, this Prospectus or the Open Offer Application Form. By taking up New Ordinary Shares and/or Excess Shares in accordance with the instructions set out in this Prospectus and, where applicable, the Open Offer Application Form, Existing Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive 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.

10. Further information

Your attention is drawn to the further information set out in this Prospectus and also, in the case of Existing Non-CREST Shareholders and other Existing Shareholders to whom the Company has sent Open Offer Application Forms, to the terms, conditions and other information printed on the accompanying Open Offer Application Form.

TERMS AND CONDITIONS OF APPLICATION UNDER THE OFFER FOR SUBSCRIPTION

The New Ordinary Shares are only suitable for investors who understand that there is a potential risk of capital loss, that there may be limited liquidity in the underlying investments of the Company, for whom an investment in the New Ordinary Shares is part of a diversified investment programme and who fully understand and are willing to assume the risks involved in such an investment programme.

The Company reserves the right, in the absolute discretion of the Directors, to authorise in advance the making of an application under the Offer for Subscription through CREST instead of submitting a paper application and cheque. However, this will only be available to selected applicants invited by Canaccord Genuity to apply through CREST.

(A) TERMS AND CONDITIONS FOR ALL APPLICANTS OTHER THAN SELECTED APPLICANTS

In the case of a joint Application, references to you in these Terms and Conditions of Application are to each of you, and your liability is joint and several. Please ensure you read these Terms and Conditions in full before completing the Application Form.

Unless otherwise defined herein, defined terms in this Prospectus shall have the same meaning in these Terms and Conditions, the Application Form, and in the notes on how to complete the Application Form, and:

"**Applicant**" means a person or persons (in the case of joint applicants) whose name(s) appear(s) on the registration details (Box 2A) of an Application Form;

"**Application**" means the offer made by an Applicant by completing an Application Form and posting (or delivering) it to the Receiving Agent as specified in the Prospectus; and

"**Money Laundering Regulations**" means the Criminal Justice (Proceeds of Crime) (Financial Services Businesses) (Bailiwick of Guernsey) Regulations 2007, the GFSC's Handbook for Financial Services Business on Countering Financial Crime and Terrorist Financing, and the Money Laundering Regulations 2007 as such may be amended, supplemented or replaced from time to time, and any other applicable anti-money laundering guidance, regulations or legislation.

The Terms and Conditions

a) The contract created by the acceptance of an Application under the Offer for Subscription will be conditional on:

   (i) the Pre-emption Resolution being passed at the Extraordinary General Meeting;

   (ii) Admission becoming effective by not later than 8.00 a.m. (London time) on 24 March 2017 (or such later date (being no later than 31 May 2017) as may be provided for in accordance with the terms of the Placing and Offer Agreement);

   (iii) the Placing and Offer Agreement becoming otherwise unconditional in all respects, and not being terminated in accordance with its terms before Admission becomes effective; and

   (iv) not less than an aggregate of £50 million (or such lesser amount as the Directors and Canaccord Genuity, in consultation with the Investment Adviser, may agree) of New Ordinary Shares being subscribed for pursuant to the Issue.

b) The right is reserved by the Company to present all cheques and bankers' drafts for payment on receipt and to retain application monies and refrain from delivering an Applicant's New Ordinary Shares into CREST or issuing an Applicant's New Ordinary Shares in certificated form (as the case may be) pending clearance of the successful Applicant's cheques and bankers' drafts. The Company also reserves the right to reject in whole or part or to scale back or limit any Application. The Company may treat Applications as valid and binding if made in accordance with the prescribed instructions and the Company may, at its discretion, accept an Application in respect of which payment is not received by the Company prior to the closing of the Offer for Subscription. If any Application is not accepted in full or if any contract created by acceptance does not become unconditional, the application monies or, as

the case may be, the balance thereof will be returned (without interest) by returning each relevant Applicant's cheque or banker's draft or by crossed cheque in favour of the first-named Applicant, through the post at the risk of the person(s) entitled thereto except where the amount is less than £5. In the meantime, application monies will be retained by the Receiving Agent in a separate account.

c) Under the Money Laundering Regulations 2007, the Receiving Agent may be required to verify the identity of persons who subscribe for in excess of the sterling equivalent of €15,000 of New Ordinary Shares under the Offer for Subscription.

The Receiving Agent may therefore undertake searches for the purposes of verifying identity. To do so the Receiving Agent may verify the details against the Applicant's identity, but also may request further proof of 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.

Payments must be made by cheque or banker's draft in pounds sterling drawn on a bank or building society or branch of a bank or building society in the United Kingdom or the Channel Islands 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. Cheques, which must be drawn on the personal account of the individual investor where they have sole or joint title to the funds, should be made payable to "**Capita Registrars Limited re: HICL Infrastructure Company Limited – Offer for Subscription A/C**". 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 shareholder.

The following is provided by way of guidance to reduce the likelihood of difficulties, delays and potential rejection of an Application Form (but without limiting the Receiving Agent's right to require verification of identity as indicated above):

(i) Applicants should make payment by a cheque drawn on an account in their own name; and

(ii) if an Applicant makes the Application as agent for one or more persons, he should indicate on the Application Form whether he is a UK or EU regulated person or institution (for example a bank or stockbroker) and specify his status. If an Applicant is not a UK or EU regulated person or institution, he should contact the Receiving Agent.

d) By completing and delivering an Application Form, you, as the Applicant (and, if you sign the Application Form on behalf of somebody else or a corporation, that person or corporation, except as referred to in paragraph (viii) below):

(i) offer to subscribe for the number of New Ordinary Shares specified in your Application Form (or such lesser number for which your Application is accepted) on the terms of and subject to the Prospectus, including these terms and conditions, and subject to the Memorandum and Articles;

(ii) agree that, in consideration of the Company agreeing to process your Application, your Application cannot be revoked (subject to any legal right to withdraw your Application which arises as a result of a publication of a supplementary prospectus by the Company 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, or (in the case of delivery by hand during normal business hours only) on receipt by, the Receiving Agent of your Application Form;

(iii) undertake to pay the aggregate Issue Price for the number of New Ordinary Shares specified in your Application Form, and agree and warrant that your cheque or banker's draft may be presented for payment on receipt and will be honoured on first presentation and agree that if it is not so honoured you will not be entitled to receive the New Ordinary Shares until you make payment in cleared funds for the New Ordinary Shares and such payment is accepted by the Company in its absolute discretion (which acceptance shall be on the basis that you indemnify it and the Receiving Agent 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 you agree that,

at any time prior to the unconditional acceptance by the Company of such late payment, the Company may (without prejudice to its other rights) avoid the agreement to subscribe such New Ordinary Shares and may issue or allot such New Ordinary Shares to some other person, in which case you will not be entitled to any payment in respect of such New Ordinary Shares other than the refund to you at your risk of the proceeds (if any) of the cheque or banker's draft accompanying your Application, without interest;

(iv) agree that:

(1) any monies returnable to you may be retained pending clearance of your remittance and the completion of any verification of identity required by the Money Laundering Regulations; and

(2) monies pending allocation will be retained in a separate account and that such monies will not bear interest.

(v) undertake to provide satisfactory evidence of your identity within such reasonable time (in each case to be determined in the absolute discretion of the Company and the Receiving Agent) to ensure compliance with the Money Laundering Regulations;

(vi) agree that in respect of those New Ordinary Shares for which your Application has been received and is not rejected, acceptance of your Application shall be constituted, at the election of the Company, either:

(1) by notification to the UK Listing Authority and the London Stock Exchange of the basis of allocation (in which case acceptance shall be on that basis); or

(2) by notification of acceptance thereof to the Receiving Agent;

(vii) authorise the Receiving Agent to procure that your name (together with the name(s) of any other joint Applicant(s)) or your nominee (e.g. CREST) is/are placed on the register of members of the Company in Guernsey in respect of such New Ordinary Shares referred to in paragraph (vi) above and to send a crossed cheque for any monies returnable by post without interest at the risk of the persons entitled thereto to the address of the person (or in the case of joint holders, the first named person) named as an applicant in the Application Form;

(viii) represent and warrant to the Company and Canaccord Genuity 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 or corporation, and such person or corporation will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained herein and undertake to enclose your power of attorney or a copy thereof duly certified by a solicitor or bank with the Application Form;

(ix) agree with the Company and Canaccord Genuity that all Applications, acceptances of Applications and contracts resulting therefrom shall be governed by and construed in accordance with English law, and that you submit to the jurisdiction of the English courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceeding 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;

(x) confirm to the Company and Canaccord Genuity that, in making such Application, neither you nor any person on whose behalf you are applying are relying on any information or representation in relation to the Company and the New Ordinary Shares other than that contained in this Prospectus and any supplementary prospectus published by the Company prior to Admission and, accordingly, you agree that no person (responsible solely or jointly for this Prospectus, any such supplementary prospectus or any part thereof or involved in the preparation thereof) shall have any liability for any such information or representation;

(xi) irrevocably authorise the Company or any person authorised by it to do all things necessary to effect registration of any New Ordinary Shares subscribed by or issued to you into your name(s) or into the name(s) of any person(s) in whose favour the entitlement to any such New Ordinary Shares has been transferred and authorise any representative of the Company to execute any document required therefor;

(xii) agree that, having had the opportunity to read the Prospectus, you shall be deemed to have had notice of all information and representations concerning the Company and the New Ordinary Shares contained therein;

(xiii) confirm that you have reviewed the restrictions contained in these terms and conditions;

(xiv) warrant that, if you are an individual, you are not under the age of 18;

(xv) agree that all documents and cheques or bankers' drafts sent by post to, by or on behalf of the Company or the Receiving Agent, will be sent at the risk of the person(s) entitled thereto;

(xvi) represent and warrant that in connection with your Application you have observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue or transfer or other taxes due in connection with your Application in any territory and that you have not taken any action for yourself or as nominee, agent or on behalf of any person which will or may result in the Company or any person responsible solely or jointly for the Prospectus or any part thereof or involved in the preparation thereof acting in breach of the regulatory or legal requirements of any territory in connection with the Offer for Subscription or your Application; and

(xvii) agree, on request by the Company, or the Receiving Agent on behalf of the Company, to disclose promptly in writing to the Company or the Receiving Agent any information which the Company, or the Receiving Agent, may reasonably request in connection with your Application and authorise the Company or the Receiving Agent on behalf of the Company, to disclose any information relating to your Application as it considers appropriate.

e) No person receiving a copy of this Prospectus and/or an Application Form in any territory other than the UK may treat the same as constituting an invitation or an offer to him; nor should he in any event use an Application Form unless, in the relevant territory, such an invitation or offer could lawfully be made to him or the Application Form could lawfully be used without contravention of any, or compliance with any unfulfilled registration or other legal or regulatory requirements. It is the responsibility of any person outside the UK wishing to apply for New Ordinary Shares under the Offer for Subscription for himself or on behalf of any person to satisfy himself as to full observance of the laws of any relevant territory in connection with any such Application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in any such territory and paying any issue, transfer or other taxes required to be paid in any such territory.

f) The New Ordinary Shares have not been and will not be registered under the 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 within the United States or to, or for the account or benefit of, US persons. The Company has not been and will not be registered as an ''investment company'' under the Investment Company Act, and investors will not be entitled to the benefits of the Investment Company Act. In addition, relevant clearances have not been, and will not be, obtained from any securities commission or authority of any province of any of the Excluded Territories and, accordingly, unless an exemption under any relevant legislation or regulations is applicable, none of the New Ordinary Shares may be offered, sold, renounced, transferred or delivered, directly or indirectly, in any of the Excluded Territories. Unless the Company has expressly agreed otherwise in writing or unless as exemption under relevant legislation or regulation is applicable (the applicability of which you hereby represent and warrant), you represent and warrant to the Company that you are not a US person or a resident of any of the Excluded Territories and that you are not subscribing for the New Ordinary Shares for the account of any US person or resident of any of the Excluded Territories and that you will not offer, sell, renounce, transfer or deliver, directly or indirectly New Ordinary Shares subscribed for by you in the United States or the Excluded Territories or to any US person or resident of any of the Excluded Territories. No Application will be accepted if it bears an address in the United States or any of the Excluded Territories unless an appropriate exemption is available as referred to above.

g) Pursuant to The Data Protection (Bailiwick of Guernsey) Law 2001 (the "**DP Law**"), the Company the Administrator and/or the Registrar may hold personal data (as defined in the DP Law) relating to past and present Shareholders.

h) Such personal data held is used by the Administrator and the Registrar to maintain the Company's register of Shareholders and mailing lists and this may include sharing such data with third parties in one or more of the countries mentioned in paragraph (i) below when: (i) effecting the payment of dividends and redemption proceeds to Shareholders and the payment of commissions to third parties; and (ii) filing returns of Shareholders and their respective transactions in shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used.

i) The countries referred to in paragraph (h) above include, but need not be limited to, those in the European Economic Area and any of their respective dependent territories overseas, Argentina, Australia, Brazil, Canada, Hong Kong, Hungary, Japan, New Zealand, Singapore, South Africa, Switzerland and the United States.

j) By becoming registered as a holder of New Ordinary Shares in the Company, a person becomes a data subject (as defined in the DP Law) and is deemed to have consented to the processing by the Company, the Administrator, the Registrar and/or the Receiving Agent of any personal data relating to them in the manner described above.

k) The basis of allocation will be determined by the Directors after consultation with the Investment Adviser and Canaccord Genuity at their absolute discretion. The right is reserved to reject in whole or in part and/or scale down and/or ballot any Application or any part thereof. The right is reserved to treat as valid any Application not in all respects completed in accordance with the instructions relating to the Application Form, including if the accompanying cheque or banker's draft is for the wrong amount.

l) If for any reason it becomes necessary to adjust the expected timetable as set out in this Prospectus, the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates. In particular, the Directors have the discretion to extend the last time and/or date for Applications and any such extension will not affect Applications already made, which will continue to be irrevocable.

(B) TERMS AND CONDITIONS FOR SELECTED APPLICATIONS

Unless otherwise defined herein, defined terms in this Prospectus shall have the same meaning in these Terms and Conditions, and:

"**Application**" means an application for New Ordinary Shares made by sending a completed Application Form in accordance with these Terms and Conditions;

"**Selected Applicant**" means a person invited in writing by Canaccord Genuity or the Company to apply under the Offer for Subscription; and

"**Subscription For New Ordinary Shares**" means in respect of each Selected Applicant, the application for New Ordinary Shares under the Offer for Subscription.

1. Introduction

The latest time and date for payment in full under the Offer for Subscription is expected to be 11.00 a.m. on 17 March 2017 with Admission and commencement of dealings in New Ordinary Shares expected to take place at 8.00 a.m. on 24 March 2017.

Selected Applicants should note that applications in respect of Subscriptions For New Ordinary Shares may only be made by the Selected Applicant originally entitled.

2. Procedure for application and payment for the Offer for Subscription

2.1 General

In the event that the Offer for Subscription does not become unconditional by 8.00 a.m. on 24 March 2017 or such later time and date as the Directors determine (being no later than 31 May 2017), the Offer for Subscription will lapse and the Receiving Agent will refund the amount paid by a Selected Applicant by way of a payment to the account from which the transfer of Application monies was made (if the selected Applicant paid by electronic transfer) or a cheque sent by first class post if required, without interest, as soon as practicable thereafter.

2.5 Effect of valid Application

a) The contract created by the acceptance of an Application under the Offer for Subscription will be conditional on:

   i) the Issue Pre-emption Resolution being passed at the Extraordinary General Meeting;

   ii) Admission becoming effective by not later than 8.00 a.m. (London time) on 24 March 2017 (or such later date (being no later than 31 May 2017) as may be provided for in accordance with the terms of the Placing and Offer Agreement);

   iii) the Placing and Offer Agreement becoming otherwise unconditional in all respects, and not being terminated in accordance with its terms before Admission becomes effective; and

   iv) not less than an aggregate £50 million (or such lesser amount as the Directors and Canaccord Genuity, in consultation with the Investment Adviser), may agree of New Ordinary Shares being subscribed for under the Issue).

b) The Company reserves the right to reject in whole or part or to scale back or limit any Application. The Company may treat Applications as valid and binding if made in accordance with the prescribed instructions and the Company may, at its discretion, accept an Application in respect of which payment is not received by the Company prior to the closing of the Offer for Subscription. If any Application is not accepted in full or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance thereof will be returned (without interest) by returning each relevant Applicant's CREST payment except where the amount is less than £5. In the meantime, application monies will be retained by the Receiving Agent in a separate non-interest account.

c) A Selected Applicant who makes or is treated as making a valid Application in accordance with the procedures set out in these Terms and Conditions:

   (i) offers to subscribe for the number of New Ordinary Shares (or such lesser number for which the Application is accepted) on the terms of and subject to the Prospectus, including these terms and conditions, and subject to the Memorandum and Articles;

   (ii) represents and warrants to the Company and Canaccord Genuity that it has the right, power and authority, and has taken all action necessary, to make the application under the Offer for Subscription and to execute, deliver and exercise its rights, and perform its obligations, under any contracts resulting therefrom and that he is not a person otherwise prevented by legal or regulatory restrictions from applying for New Ordinary Shares or acting on behalf of any such person on a non-discretionary basis;

   (iii) agrees to pay the amount payable on application in accordance with the above procedures by means of a payment in accordance with the payment arrangements (it being acknowledged that the payment to the Receiving Agent's payment bank in accordance with the payment arrangements shall, to the extent of the payment, discharge in full the obligation to pay to the Company the amount payable on application);

   (iv) represents and warrants that it is the Selected Applicant originally entitled to the Subscription For New Ordinary Shares;

   (v) agrees that, in consideration of the Company agreeing to process its Application, the Application cannot be revoked (subject to any legal right to withdraw your Application which arises as a result of a publication of a supplementary prospectus by the Company prior to Admission) and that this paragraph shall constitute a collateral contract between the Selected Applicant and the Company which will become binding upon sending of a valid Application Form;

   (vi) agrees that: (1) any monies returnable to the Selected Applicant may be retained pending the completion of any verification of identity required by the Money Laundering Regulations; and (2) monies pending allocation will be retained in a separate account and that such monies will not bear interest;

(vii) undertakes to provide satisfactory evidence of the Selected Applicant's identity within such reasonable time (in each case to be determined in the absolute discretion of the Company and the Receiving Agent) to ensure compliance with the Money Laundering Regulations;

(viii) agrees that in respect of those New Ordinary Shares for which an Application has been received and is not rejected, acceptance of the Application shall be constituted, at the election of the Company, either: (1) by notification to the UK Listing Authority and the London Stock Exchange of the basis of allocation (in which case acceptance shall be on that basis); or (2) by notification of acceptance thereof to the Receiving Agent;

(ix) authorises the Receiving Agent to procure that the Selected Applicant's name (together with the name(s) of any other joint Applicant(s)) or any nominee (e.g. CREST) is/are placed on the register of members of the Company in Guernsey in respect of such New Ordinary Shares referred to in paragraph (v) above;

(x) agrees with the Company and Canaccord Genuity that all Applications, acceptances of Applications and contracts resulting therefrom shall be governed by and construed in accordance with English law, and that the Selected Applicant submits to the jurisdiction of the English Courts and agrees that nothing shall limit the right of the Company to bring any action, suit or proceeding 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;

(xi) confirms to the Company and Canaccord Genuity that in making the Application he is not relying on any information or representation in relation to the Company and the New Ordinary Shares other than that contained in this Prospectus and any supplementary prospectus published by the Company prior to Admission, and accordingly agrees that no person (responsible solely or jointly for the Prospectus/ any such supplementary prospectus or any part thereof or involved in the preparation thereof) shall have any liability for any such information or representation;

(xii) irrevocably authorises the Company or any person authorised by it to do all things necessary to effect registration of any New Ordinary Shares subscribed by or issued to the Selected Applicant into its name(s) or into the name(s) of any person(s) in whose favour the entitlement to any such New Ordinary Shares has been transferred and authorise any representative of the Company to execute any document required therefor;

(xiii) agrees that, having had the opportunity to read the Prospectus, it shall be deemed to have had notice of all information and representations concerning the Company and the New Ordinary Shares contained therein;

(xiv) confirms that it has reviewed the restrictions and procedures contained in these Terms and Conditions;

(xv) agrees that all documents and cheques or bankers' drafts sent by post to, by or on behalf of the Company or the Receiving Agent, will be sent at the risk of the person(s) entitled thereto;

(xvi) represents and warrants that, in connection with its Application, such Selected Applicant has observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue or transfer or other taxes due in connection with the selected Applicant's Application in any territory and that it has not taken any action for itself or as nominee, agent or on behalf of any person which will or may result in the Company or any person responsible solely or jointly for this Prospectus any supplementary prospectus published by the Company prior to Admission or any part thereof or involved in the preparation thereof acting in breach of the regulatory or legal requirements of any territory in connection with the Offer for Subscription or its Application; and

(xvii) agrees, on request by the Company, or the Receiving Agent on behalf of the Company to disclose promptly in writing to the Company or the Receiving Agent any information which the Company or the Receiving Agent may reasonably request in connection with the Application and authorise the Company or the Receiving Agent on behalf of the Company, to disclose any information relating to the Application as the Company or the Receiving Agent considers appropriate.

d) No person receiving a copy of this Prospectus in any territory other than the UK may treat the same as constituting an invitation or an offer to him; nor should he in any event make an Application unless, in the relevant territory, such an invitation or offer could lawfully be made to him or the Application could lawfully be made without contravention of any, or compliance with any unfulfilled registration or other legal or regulatory requirements. It is the responsibility of any person outside the UK wishing to apply for New Ordinary Shares under the Offer for Subscription for himself or on behalf of any person to satisfy himself as to full observance of the laws of any relevant territory in connection with any such application, including obtaining any requisite governmental or other consents, observing any other formalities requiring to be observed in any such territory and paying any issue, transfer or other taxes required to be paid in any such territory.

e) The New Ordinary Shares have not been and will not be registered under the 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 within the United States or to, or for the account or benefit of, US persons. The Company has not been and will not be registered as an ''investment company'' under the Investment Company Act, and investors will not be entitled to the benefits of the Investment Company Act. In addition, relevant clearances have not been, and will not be, obtained from any securities commission or authority of any province of any of the Excluded Territories and, accordingly, unless an exemption under any relevant legislation or regulations is applicable, none of the New Ordinary Shares may be offered, sold, renounced, transferred or delivered, directly or indirectly, in any of the Excluded Territories. Unless the Company has expressly agreed otherwise in writing or unless as exemption under relevant legislation or regulation is applicable (the applicability of which the Selected Applicant hereby represents and warrants), the Selected Applicant represents and warrants to the Company that it is not a US person or a resident of any of the Excluded Territories and that it is not subscribing for New Ordinary Shares for the account of any US person or resident of any of the Excluded Territories and that it will not offer, sell, renounce, transfer or deliver, directly or indirectly New Ordinary Shares subscribed for by the Selected Applicant in the United States or any of the Excluded Territories or to any US person or resident of any of the Excluded Territories. No Application will be accepted if it bears an address in the United States or any of the Excluded Territories unless an appropriate exemption is available as referred to above.

f) Pursuant to The Data Protection (Bailiwick of Guernsey) Law 2001 (the ''**DP Law**''), the Company, the Administrator and/or the Registrar may hold personal data (as defined in the DP Law) relating to past and present Shareholders.

g) Such personal data held is used by the Administrator and the Registrar to maintain the Company's register of Shareholders and mailing lists and this may include sharing such data with third parties in one or more of the countries mentioned in paragraph (h) below when: (i) effecting the payment of dividends and redemption proceeds to Shareholders and the payment of commissions to third parties; and (ii) filing returns of Shareholders and their respective transactions in shares with statutory bodies and regulatory authorities. Personal data may be retained on record for a period exceeding six years after it is no longer used.

h) The countries referred to in paragraph (g) above include, but need not be limited to, those in the European Economic Area and any of their respective dependent territories overseas, Argentina, Australia, Brazil, Canada, Hong Kong, Hungary, Japan, New Zealand, Singapore, South Africa, Switzerland and the United States.

i) By becoming registered as a holder of New Ordinary Shares in the Company, a person becomes a data subject (as defined in the DP Law) and is deemed to have consented to the processing by the Company, the Administrator, the Registrar and/or the Receiving Agent of any personal data relating to them in the manner described above.

j) The basis of allocation will be determined by the Directors after consultation with the Investment Adviser and Canaccord Genuity at their absolute discretion. The right is reserved to reject in whole or in part and/or scale down and/or ballot any Application or any part thereof. The right is reserved to treat as valid any Application not in all respects completed in accordance with the instructions in these Terms and Conditions.

k) If for any reason it becomes necessary to adjust the expected timetable as set out in this Prospectus, the Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates. In particular, the Directors have the discretion to extend the last time and/or date for Applications, and any such extension will not affect Applications already made, which will continue to be irrevocable.

2.6 Company's direction as to the rejection and validity of Applications

The Company may in its sole discretion treat as valid (and binding on the Selected Applicant concerned) an Application which does not comply in all respects with the requirements as to validity set out or referred to in these Terms and Conditions.

2.7 Lapse of the Offer for Subscription

In the event that the Offer for Subscription does not become unconditional by 8.00 a.m. on 24 March 2017 or such later time and date as the Company and Canaccord Genuity may agree (being no later than 31 May 2017), the Offer for Subscription will lapse and the Receiving Agent will refund the amount paid by a Selected Applicant to the account from which payment was made (if paid by electronic transfer) or by cheque, without interest, as soon as practicable thereafter.

3. Money Laundering Regulations

The Receiving Agent may be obliged to establish the identity of the Selected Applicant or the person or persons on whose behalf a Selected Applicant makes an application. Selected Applicants must therefore contact the Registrar so that appropriate measures may be taken.

Submission of a valid Application, as described above, constitutes a warranty and undertaking by the applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Money Laundering Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the New Ordinary Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the Application for the New Ordinary Shares represented by sending a completed Application Form will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of failure to provide satisfactory evidence.

4. Non-UK applicants

Non-UK applicants should note that Subscription Entitlements will not be credited to stock accounts in CREST of persons with registered addresses in the United States or any other Excluded Territory or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

5. General

If the conditions to the Offer for Subscription described above are satisfied, New Ordinary Shares will be issued in uncertificated form to those persons who submitted a valid Application for New Ordinary Shares by completing the Application Form and whose Applications have been accepted by the Company.

NOTES ON HOW TO COMPLETE THE APPLICATION FORM

Application Forms should be returned so as to be received by no later than 11.00 a.m. on 17 March 2017. All Applicants should read notes 1-5. Note 6 should be read by Joint Applicants.

1. Application

Fill in (in figures) the aggregate subscription price for which your application is made. Your application must be for New Ordinary Shares with a minimum aggregate subscription price of £1,000 or, if for more than £1,000, in multiples of £500 thereafter. Financial Intermediaries, other than the Intermediaries making applications under the Intermediaries Offer, who are investing on behalf of clients should make separate applications for each client.

2. Personal Details

Fill in (in block capitals) the full name, address and daytime telephone number of the applicant. If this application is being made jointly with other persons, please read Note 6 before completing Box 2.

3. Signature

The applicant named in Box 2 must date and sign Box 3.

The Application Form may be signed by another person on your behalf 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. A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated.

4. Payment Details

Payments by cheque or banker's draft

If you are tendering payment by way of cheque or banker's draft, attach a cheque or banker's draft for the exact amount shown in Box 1 to your completed Application Form. Your cheque or banker's draft must be made payable to "Capita Registrars Limited Re HICL Infrastructure Company Limited OFS A/C" and crossed "a/c Payee".

Your payment must relate solely to this application. No receipt will be issued.

Payments must be made by cheque or banker's draft in pounds Sterling drawn on a branch in the United Kingdom, the Channel Islands or the Isle of Man of a bank or building society which is either a member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques or banker's drafts to be cleared through the facilities provided for members of any of these 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 the individual investor where they have a sole or joint title to the funds, should be made payable to "**Capita Registrars Limited Re HICL Infrastructure Company Limited Offer for Subscription A/C**". 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 or endorsing the back of the cheque/bankers' draft to such effect.

The account name should be the same as that shown on the application.

Payments by electronic transfer

If you wish to pay by electronic transfer, payments must be made by CHAPS or SWIFT in Sterling. Payment must be made for value by no later than 5.00 p.m. on 16 March 2017. A unique reference, which should be the applicant's surname and telephone number, must be included when sending electronic payment to Capita and on the Application Form. Details of the bank being instructed to make such electronic transfer must be entered in the box provided at section 5B of the Application Form. Payments in electronic form must come from a UK bank account only and from a personal account in the name of the individual investor

where they have sole or joint title to the funds. The account name should be the same as that shown in Box 2 of the Application Form. Applicants' payments must relate solely to their application. No receipt will be issued.

Capita Registrars Ltd re HICL INFRASTURE COMPANY LTD- Offer for subscription CHAPS A/C

Bank Name: Royal Bank of Scotland

Sort Code: 15-10-00

Account Number: 32556801

Account Name: Capita Registrars Ltd re HICL INFRASTURE COMPANY LTD- Offer for subscription CHAPS A/C

Swift No: RBOSGB2L

IBAN: GB29RBOS15100032556801

If you wish to pay by electronic transfer, payments must be made by CHAPS or SWIFT in sterling. Details of the bank being instructed to make such electronic transfer must be entered in Box 5B of the Application Form. Payments in electronic form must come from a UK bank account and from a personal account in the name of the individual investor where they have sole or joint title to the funds. The account name should be the same as that shown in Box 2 of the Application Form. Payments must relate solely to your Application.

Where an electronic transfer is being made the investor must provide a recent bank statement. No receipt in respect of electronic payments or acknowledgement of Applications will be issued. Please note if the Offer remains open at that date the electronic facility will close at 5.00 pm on 31 March 2017.

General

Applications with a value of the Sterling equivalent of €15,000 or greater, which are to be settled by way of a third party payment, e.g. banker's draft, building society cheque or a cheque drawn by someone other than the applicant, will be subject to the United Kingdom's verification of identity requirements which are contained in the Money Laundering Regulations 2007. In order to ensure compliance with the Money Laundering Regulations the Company (or any of its agents) may require at its absolute discretion such evidence in respect of any application which is satisfactory to it to establish your identity or that of any person on whose behalf you are acting and/or your status.

Where an electronic transfer is being made over the sterling equivalent of €15,000 threshold by CHAPS the investor should also supply their bank statement to show where the sources of funds have been sent from. If the investment is £50,000 or more in sterling, the investor must also provide a certified copy of their passport and a recent bank statement. No receipt in respect of electronic payments or acknowledgement of Applications will be issued.

For UK applicants, this may involve verification of names and addresses (only) through a reputable agency. For non-UK applicants, verification of identity may be sought from your bankers or from another reputable institution or professional adviser in the applicant's country of residence.

If satisfactory evidence of identity has not been obtained within a reasonable time, and in any event (unless the Offer for Subscription is extended) by 11.00 a.m. on 17 March 2017, your application may not be accepted.

Certificates, cheques and other correspondence will be sent to the address in Box 2.

5. Shares in Uncertificated Form (CREST)

If you wish your New Ordinary Shares to be issued in uncertificated form you should complete the Application Form as above and must also complete Box 6. If you do not complete Box 6, you will receive your New Ordinary Shares in certificated form.

6. Joint Applicants

If you make a joint application, you will not be able to transfer your New Ordinary Shares into an ISA. If you are interested in transferring your New Ordinary Shares into an ISA, you should apply in your name only.

If you do wish to apply jointly, you may do so with up to three other persons. Boxes 2 and 4 must be completed by one applicant. All other persons who wish to join in the application must complete and sign Box 4.

Another person may sign on behalf of any joint applicant if that other person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified by a solicitor, notary or bank) must be enclosed for inspection.

Certificates, cheques and other correspondence will be sent to the address in Box 2.

7. Verification of Identity

Box 7 of the Application Form applies if the aggregate value of the New Ordinary Shares which you are applying for, whether in one or more applications, exceeds the Sterling equivalent of €15,000 or the Company (or any of its agents), at its absolute discretion, deems it necessary to apply in order to ensure compliance with the Money Laundering Regulations. If Box 7 applies to your application, you must ensure that Box 7.1, 7.2 or 7.3 (as appropriate) is completed.

7.1 Professional Adviser or Intermediary

You should complete Box 7.1 of the Application Form if you are a stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or, if outside the United Kingdom, another appropriately authorised independent financial adviser acting on behalf of a client.

7.2 Reliable Introducer

If you are not a professional adviser or intermediary and the value of your application(s) exceed(s) the Sterling equivalent of €15,000 or the Company (or any of its agents) deems it necessary, at its absolute discretion, in order to ensure compliance with the Money Laundering Regulations you will be required to provide the verification of identity documents listed in Box 7.3 of the Application Form unless you can have the declaration set out in Box 7.2 of the Application Form given and signed by a firm acceptable to the Receiving Agent and the Company. Box 7.2 of the Application Form details those firms acceptable to the Receiving Agent and the Company for signing the declaration. In order to ensure their Application Forms are processed timely and efficiently, all applicants who are not professional advisers or intermediaries and to whose applications Box 7 of the Application Form applies are strongly advised to have the declaration set out in Box 7.2 of the Application Form completed and signed by a suitable firm where possible.

7.3 Applicant Identity Information

Box 7.3 of the Application Form need only be completed where the aggregate value of the New Ordinary Shares which you are applying for, whether in one or more applications, exceeds the Sterling equivalent of €15,000 or the Company (or any of its agents) deems it necessary, at its absolute discretion, in order to ensure compliance with the Money Laundering Regulations and neither Box 7.1 nor Box 7.2 of the Application Form can be completed.

Notwithstanding that the declaration set out in Box 7.2 of the Application Form has been completed and signed, the Receiving Agent and the Company reserve the right to request of you the identity documents listed in Box 7.3 of the Application Form 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 requested in Box 7.3 of the Application Form, such copy documents should be 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 or 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.

8 CRS Form

If you are a new investor in the Company, in addition to completing and returning the Application Form to Capita Asset Services, you will also need to complete and return a Tax Residency Self Certification Form (CRS Form). The ''individual tax residency self-certification – sole holding'' form can be found at the end of this prospectus, further copies of this form and the relevant form for joint holdings or corporate entity holdings can be requested from Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside of the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

It is a condition of the Application that (where applicable) a completed version of the relevant CRS form is provided with the Application Form before any Application can be accepted.

INSTRUCTIONS FOR DELIVERY OF COMPLETED APPLICATION FORMS

Completed Application Forms should be returned, by post to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU or by hand (during normal business hours only) to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU so as to be received by no later than 11.00 a.m. on 17 March 2017, together in each case with payment in full in respect of the application in accordance with the instructions above. If you post your Application Form, you are recommended to use first class post and to allow at least two days for delivery. Application Forms received after this date may be returned.

If you have any questions relating to this document, and the completion and return of the Application Form, please telephone Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. 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. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

HICL Infrastructure Company Limited – Application Form

Please send the completed form by post to or delivered by hand (during normal business hours only) to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU so as to be received by no later than 11.00 a.m. on 17 March 2017.

Important – Before completing this form, you should read the accompanying notes.

ALL APPLICANTS MUST COMPLETE BOXES 1 TO 4 (SEE NOTES 1-6 OF THE NOTES ON HOW TO COMPLETE THIS APPLICATION FORM).

If you have a query concerning completion of this Application Form please call Capita Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. 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. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

To: **HICL Infrastructure Company Limited**

Box 1. Application

I/We, the persons detailed in Box 2 and in the case of joint applicants, Box 4, offer to subscribe for:

£

Please tick the relevant box to indicate the method by which payment is being made:

☐ – Payment by cheque attached

☐ – Payment by CHAPS payment

of New Ordinary Shares (minimum £1,000 and thereafter in multiples of £500) fully paid, at £1.59 per New Ordinary Share on the terms, and subject to the conditions set out in the prospectus dated 23 February 2017 (including the Terms and Conditions of Application contained therein) (the "Prospectus"), the guidance notes accompanying this Application Form, and the memorandum of association and the Articles respectively, and attach a cheque or banker's draft for the amount payable.

Box 2. Personal Details (PLEASE USE BLOCK CAPITALS)

Mr, Mrs, Miss or Title	Forenames (in full)
Surname	
Address (in full)	
Postcode	Daytime telephone no.

Box 3. Signature

I/We hereby confirm that I/we have read the Prospectus and make this application on and subject to the Terms and Conditions of Application set out in the Prospectus.

Signature	Dated 2017

BOX 4 MUST ONLY BE COMPLETED BY JOINT APPLICANTS (SEE NOTE 6).

Box 4. Joint Applicants (PLEASE USE BLOCK CAPITALS)

Where the application is being made jointly by more than one person, the proposed first-named holder should complete Boxes 2 and 3 above, and all other applicants (subject to a maximum of three) must complete and sign this Box 4.

Mr, Mrs, Miss or Title	Forenames (in full)	Surname	Signature

Intermediary name, if applicable	Intermediary stamp, if applicable
Contact tel. no:	FCA No:

Box 5. Payment Details

Box 5A: Cheque or Banker's Draft Details

Attach your cheque or banker's draft for the exact amount shown in Box 1 made payable to ''Capita Registrars Limited Re HICL Infrastructure Company Limited OFS A/C'' and crossed ''a/c Payee''.

Box 5B: Bank Account Details

Complete this section only if you are tendering payment by electronic transfer.

Contact tel. no:	
Branch Sort Code	
Account Name	
Account Number	
Reference Number (should be your surname and telephone number)	

Please also refer to note 7.3 (where an electronic transfer is being made for £50,000 or more the applicant must provide a certified copy of their passport and a recent bank statement).

Box 6. Shares in Uncertificated Form (CREST)

Complete this section only if you require your New Ordinary Shares to be credited to your CREST account.

CREST Participant ID: (no more than five characters)						CREST Member Account ID: (no more than eight characters)									
CREST Participant's Name:															

Box 7. Verification of Identity (if the value of the Ordinary Shares which you are applying for, whether in one or more applications, exceeds the sterling equivalent of €15,000 or the Company (or any of its agents) deems it necessary, at its absolute discretion, in order to ensure compliance with the Money Laundering Regulations you must ensure that Box 7.1, 7.2 or 7.3 (as appropriate) is completed.

Box 7.1 Professional Advisers and Intermediaries

(This Box 7.1 should be completed if an application for New Ordinary Shares is being made on behalf of a client by a stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or, if outside the United Kingdom, another appropriately authorised independent financial adviser).

(Name of professional adviser or intermediary, in full)	
(Address, in full)	
(Post code)	
(Contact name)	(Telephone number)

Declaration by the professional adviser or intermediary

To: HICL Infrastructure Company Limited, Capita Asset Services and Canaccord Genuity Limited

We are a financial adviser authorised under the Financial Services and Markets Act 2000 applying for New Ordinary Shares on behalf of one or more clients ("**relevant clients**"). As such, we hereby undertake to:

- complete anti-money laundering verification of all relevant clients and to inform you of any unsatisfactory conclusion in respect of any such client;
- keep records to verify the name, identity, place of birth, residential address, occupation and signature of each relevant client; and
- supply copies of any such records to you as you may require.

We are governed in the conduct of our investment business and in respect of conducting anti-money laundering verification by the following regulatory or professional body (and our reference or other official number allocated to us by that body is included in the box below).

(Full name and country of operation of regulatory or professional body)	(Reference or other official number)

If you require further information about our procedures or any of our relevant clients, please contact the person named as the contact in the first box in this Box 7.1.

Box 7.2 Reliable Introducer *(If you are not a professional adviser or intermediary to whom Box 7.1 applies, completion and signing of declaration in this Box 7.2 by a suitable person or institution may avoid presentation being requested of the identity documents detailed in Box 7.3 of this form)*

*(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 in its own country to operation of "know your customer" and anti-money laundering regulations which are, in the opinion of the Company in its absolute discretion, no less stringent than those which prevail in the United Kingdom).*

Declaration by the firm

To: HICL Infrastructure Company Limited, Capita Asset Services and Canaccord Genuity Limited

With reference to the applicant(s) detailed in section(s) 2 and, in the case of joint applicants, 4 above, all persons signing Boxes 3 and 4 above and the payor identified in Box 5 above if not also an applicant holder (collectively the "**relevant persons**"), we hereby declare that:

- we operate in ..... and our firm is subject to anti-money laundering regulations under the laws of that country which, to the best of our knowledge, are no less stringent than those which prevail in the United Kingdom;
- we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;
- each of the relevant persons is known to us in a business capacity and we hold valid identity documentation on each of them and we undertake to immediately provide to you copies thereof on demand;
- we confirm the accuracy of the names and residential/business address(es) of the applicant(s) named in Box(es) 2 and, in the case of joint applicants, 4 above and, if details of a CREST account are included in Box 6 above, that the owner thereof is the applicant named in Box 2 above;
- having regard to all local anti-money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the New Ordinary Shares to which this application relates; and
- where the payor and applicant(s) are different persons we are satisfied as to the relationship; between them and the reason for the payor being different to the applicant(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 the firm of its officials.

(Date) 2017	(Official stamp, if any)
(Signature)	
(Full name)	
(Title/position)	

having authority to bind the firm, the details of which are set out below:

(Name of professional adviser or intermediary, in full)	
(Address, in full)	
(Post code)	
(Contact name)	(Telephone number)

(Full name of firm's regulatory authority)	
(Website address or telephone number of regulatory authority)	(Firm's registered, licence or other official number)

Box 7.3 Applicant Identity Information *(Only complete this Box 7.3 if your application has a value greater than the Sterling equivalent of €15,000 and neither of Boxes 7.1 and 7.2 can be completed) (or the Company (or any of its agents) deems it necessary, at its absolute discretion, in order to ensure compliance with the Money Laundering Regulations).*

In accordance with internationally recognised standards for the prevention of money laundering, the relevant documents and information listed below must be provided (please note that the Receiving Agent, Canaccord Genuity and the Company reserve the right to ask for additional documents and information).

		Tick here for documents provided				
		Applicant				
		1	2	3	4	Payor
A.	**For each applicant who is an individual enclose:**					
(i)	a certified clear photocopy of one of the following identification documents which bears both a photograph and the signature of the person: (a) current passport; (b) Government or Armed Forces identity card; or (c) driving licence; **and**					
(ii)	certified copies of at least two of the following documents which purport to confirm that the address(es) given in section 2 and, in the case of joint applicants, section 6 is the applicant's residential address: (a) a recent gas, electricity, water or telephone (not mobile) bill; (b) a recent bank statement; (c) a council tax bill; or (d) similar bill issued by a recognised authority; **and**					
(iii)	if none of the above documents show their date and place of birth,enclose a note of such information; **and**					
(iv)	details of the name and address of their personal bankers from which the Receiving Agent or the Company may request a reference, if necessary.					
B.	**For each holder being a company (a ''holder company'') enclose:**					
(i)	a certified copy of the certificate of incorporation of the holder company; **and**					
(ii)	the name and address of the holder company's principal bankers from which the Receiving Agent or the Company may request a reference, if necessary; **and**					
(iii)	a statement as to the nature of the holder company's business signed by a director; **and**					
(iv)	a list of the names and residential addresses of each director of the holder company; **and**					
(v)	for each director provide documents and information similar to that mentioned in A above; **and**					
(vi)	a copy of the authorised signatory list for the holder company; **and**					
(vii)	a list of the names and residential/registered addresses of each ultimate beneficial owner interested in more than 5 per cent. of the issued share capital of the holder company and. where a person is named, also enclose the documents and information referred to in C below and, if another company is named (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 individual named in B(vii) as a beneficial owner of a holder company enclose for each such person documents and information similar to that mentioned in A(i) to (iv)**					
D.	**For each beneficiary company named in B(vii) as a beneficial owner of a holder company enclose:**					
(i)	a certificated copy of the certificate of incorporation of that beneficiary company; **and**					
(ii)	a statement as to the nature of that beneficiary company's business signed by a director; **and**					
(iii)	the name and address of the beneficiary company's principal bankers from which the Receiving Agent or the Company may request a reference, if necessary; **and**					
(iv)	enclose a list of the names and residential/registered address of each beneficial owner owning more than 5 per cent. of the issued share capital of that beneficiary company.					
E.	**If the payor is not an applicant and is not a bank providing its own cheque or banker's draft on the reverse of which is shown details of the account being debited with such payment (see note 4 on how to complete this form) enclose:**					
(i)	if the payor is a person, for that person the documents mentioned in A(i) to (iv); **or**					
(ii)	if the payor is a company, for that person the documents mentioned in B(i) to (vii); **and**					
(iii)	an explanation of the relationship between the payor and the applicant(s).					

CAPITA Asset Services

Tax Residency Self-Certification Form (Individuals)

Name of Company in which shares are held:	[Company Name]
Investor code *e.g. 00000999999 This can be found on your share certificate or tax voucher*	[Code]/[IVC]
Part 1 – Identification of Individual Shareholder *A separate form is required for each holder*	
Name of Holder:	[Name]
Address of Holder:	[Address1], [Address2], [Address3], [Address4], [Address5], [Post Code]
A. Please provide your Tax Residence Address – If different from above	
Address: *Include your Postal or ZIP Code & Country:*	
B. Date of Birth (*DD/MM/YYYY)*	

Part 2 – Country/Countries of Residence for Tax Purposes	
Country of residence for tax purposes	**Tax Identification Number** *In the UK this would be your NI number*
1	**1**
2	**2**
3	**3**
4	**4**

Part 2b – US Person
Please mark the box ONLY if you are a US Person (see Definitions) ☐

Part 3 – Declarations and Signature

I acknowledge that the information contained in this form and information regarding my shares may be reported to the local tax authority and exchanged with tax authorities of another country or countries in which I may be tax resident where those countries have entered into Agreements to exchange Financial Account information.

I undertake to advise the Company within 30 days of any change in circumstances which causes the information contained herein to become incorrect and to provide the Company with a suitably updated Declaration within 30 days of such change in circumstances.

I certify that I am the shareholder (or am authorised to sign for the shareholder).

If this relates to a joint holding: I also acknowledge that as a joint holder I may be reported to the relevant tax authority if all the other holders do not provide a Tax Residency Self-Certification.

I declare that all statements made in this declaration are, to the best of my knowledge and belief, correct and complete.

Signature:	
Print Name:	
Date:	
Daytime telephone number / email address	

If signing under a power of attorney, please also attach a certified copy of the power of attorney.

We will only contact you if there is a question around the completion of the self- certification form.

CAPITA Asset Services

Introduction

The law requires that Financial Institutions collect, retain and report certain information about their account holders, including their tax residency.

Please complete the form above and provide any additional information requested.

If your declared country/countries of residence for tax purposes is not the same as that of the Financial Institution and is either the US or is on the OECD list of countries which have agreed to exchange information (http://www.oecd.org/tax/transparency/AEOI-commitments.pdf), the Financial Institution will be obliged to share this information with its local tax authority who may then share it with other relevant local tax authorities.

Failure to validly complete and return this form will result in you being reported onwards to the relevant local tax authority. Additionally, if this form has been issued in conjunction with an application for a new holding, then your application may be adversely impacted.

Definitions of terms used in this form can be found below.

If your address (or name) has changed from that shown on the form, then you must advise us separately. Any details you enter in the "Tax Residence Address" will be used for tax purposes only and will not be used to update your registered details.

If any of the information about your tax residency changes, you are required to provide the Company with a new, updated, self-certification form within 30 days of such change in circumstances.

Joint Holders (if relevant)

All joint holders are treated as separate holders for these tax purposes and every joint holder is required to give an Individual Tax Residency Self-Certification. If any one or more is reportable, the value of the whole shareholding will be reported for that/those joint shareholder(s).

If we do not receive the self-certification from each joint shareholder, then the whole holding will be treated as undocumented and all holders (including those who have completed the self-certification form) will be reported to the relevant tax authorities.

If you have any remaining questions about how to complete this form or about how to determine your tax residency status you should contact your tax adviser.

Definitions

The OECD Common Reporting Standard for Automatic Exchange of Financial Account Information ("The Common Reporting Standard") http://www.oecd.org/tax/automatic-exchange/common-reporting-standard/ contains definitions for the terms used within it. However, the following definitions are for general guidance only to help you in completing this form.

"Account Holder"

The Account Holder is either the person(s) whose name(s) appears on the share register of a Financial Institution. Or where Capita holds the shares on your behalf, the person whose name appears on the register of entitlement that Capita maintains.

"Country/Countries of residence for tax purposes"

You are required to list the country or countries in which you are resident for tax purposes, together with the tax reference number which has been allocated to you, often referred to as a **tax identification number (TIN).** Special circumstances (such as studying abroad, working overseas, or extended travel) may cause you to be resident elsewhere or resident in more than one country at the same time (dual residency). The country/countries in which you might be obliged to submit a tax return are likely to be your country/countries of tax residence. If you are a US citizen or hold a US passport or green card, you will also be considered tax resident in the US even if you live outside the US.

CAPITA Asset Services

''Tax Identification Number or TIN''

The number used to identify the shareholder in the country of residence for tax purposes.

Different countries (or jurisdictions) have different terminology for this and could include such as a National Insurance number, social security number or resident registration number. Some jurisdictions that do issue TINs have domestic law that does not require the collection of the TIN for domestic reporting purposes so that a TIN is not required to be completed by a shareholder resident in such jurisdictions. Some jurisdictions do not issue a TIN or do not issue a TIN to all residents.

''US Person''

- All US citizens. An individual is a citizen if that person was born in the United States or if the individual has been naturalized as a US citizen.
- You can also be a US citizen, even if born outside the United States if one or both of your parents are US citizens.
- You are a 'tax resident' of the United States. You can become a tax resident under two rules: 1) The 'substantial presence test'. This is a 'day count test and based on the number of days you are in the US over a three year period and 2) The 'green card' test. A person who has obtained a 'green card' has been granted the right to lawful permanent residence in the United States.

If you have any questions about these definitions or require further details about how to complete this form then please contact your tax adviser.

NOTHING IN THIS DOCUMENT CAN BE CONSIDERED TO BE TAX ADVICE.

HICL Infrastructure

Delivering Real Value

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