

Information Memorandum

Lisarb Energy Group Limited

IMPORTANT INFORMATION - THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The content of this information memorandum has not been approved by an authorised person within the meaning of the financial services and markets act 2000 ("FSMA"). Reliance on this promotion for the purposes of engaging in any investment activity may expose an individual to significant risk of losing all of the property or other assets invested. Your attention is drawn to the section in this information memorandum headed "risk factors". Nothing in this information memorandum constitutes investment, tax, financial, regulatory or other professional advice by the issuer, Lisarb Energy Group Limited. If you are in any doubt as to the contents of any actions you should take with regards to this information memorandum, then you should seek independent professional advice from an independent financial advisor or other professional advisor under FSMA who specialises in advising on investments of this type described in this information memorandum.

Important Information

This content of this Information Memorandum (“IM”) has not been approved by a person who is authorised and regulated by the Financial Conduct Authority (“Authorised Person”) for the purposes of s.21 of the Financial Services and Markets Act 2000 (“FSMA”) or otherwise. The issue of this IM by Lisarb Distribution Energy Portfolio No1 Ltd (“Lisarb”, “Company” or “Issuer”) is exempt from the financial promotion restriction in s.21 of FSMA on the basis that it is communicated to, and its contents directed at, those persons who satisfy the relevant criteria of one or more of the following investor classes:

- I. ‘investment professionals’ within the meaning of Article 19 of the Financial Services and Markets Act (Financial Promotion) Order 2005 (FinProm) and who, for the purposes of the procedures administered by an Authorised Person on behalf of the Company in respect of an application for Bonds (“Authorised Application Procedures”), meet the “Professional Client” requirements under rule 3.5 of the Financial Conduct Authority’s Conduct of Business Sourcebook (“COBS”);
- II. ‘certified high net worth individuals’ within the meaning of Article 48 FinProm and who, for the purposes of any Authorised Application Procedures, meet the requirements of COBS 4.7.9R;
- III. persons who are ‘certified sophisticated investors’ within the meaning of Article 50 FinProm and who, for the purposes of any Authorised Application Procedures, meet the requirements of COBS 4.7.9R; and
- IV. persons who are ‘self-certified sophisticated investors’ within the meaning of Article 50A FinProm and who, for the purposes of any Authorised Application Procedures, meet the requirements of COBS 4.7.9R.

The attention of prospective Investors is drawn to the “RISK FACTORS” section of this document on pages 18 to 23.

If you are in any doubt about the contents of this document, you are strongly recommended to consult a person authorised under FSMA to give advice in relation to investments in equity and debt securities issued by unquoted single companies. An investment in the Company will not be suitable for all recipients of this IM.

The aggregate consideration that may be raised by the Company for the issuance of

Bonds under this IM is £6,500,000, which is equivalent to €7,606,202 at a GBP/ Euro exchange rate of 1.17 as at close of business on 27th September 2021. Given that the total consideration that may be raised by the Company under the terms and conditions of this IM cannot exceed €8.0 million in the period of twelve months from the date of this IM, the issuance of Bonds hereunder is an exempt offer of securities to the public for the purposes of section 86 of FSMA. Accordingly, this IM is not a prospectus and does not require the approval of the Financial Conduct Authority in the United Kingdom or any competent authority in any member state of the European Union.

An Application Form to subscribe for Bonds is only available to prospective investors through an Authorised Person (as appointed by the Company to administer the relevant Authorised Application Procedures) to those persons:

(a) who have been verified by such Authorised Person as either (i) a certified ‘high net worth investor’, (ii) a certified ‘sophisticated investor’, (iii) a self-certified ‘sophisticated investor’, in each case in accordance with COBS 4.7.9R; or

(b) who are professional clients within the meaning of COBS 3.5, (together, such persons are referred to in this IM as “Eligible Investors”, and any of them as an “Eligible Investor”).

Any investment to which this IM relates is available only to Eligible Investors and any other person and other class of person should not rely on this document.

Eligible Investors should consider carefully whether an investment in Bonds is suitable for them in the light of their personal circumstances and the risk factors noted on pages 18 to 23. The Bonds are a secured, transferable debt of the Issuer and they may not be a suitable investment for all recipients of this IM. There is no certainty or guarantee that the Issuer will be able to repay the Bonds.

NO APPLICATION IS BEING MADE FOR ADMISSION OF THE BONDS TO ANY INVESTMENT MARKET OR EXCHANGE. PARTICIPATION OR INVESTMENT IN THE BONDS IS SPECULATIVE AND PROSPECTIVE INVESTORS SHOULD UNDERSTAND THAT INVESTMENT IN UNQUOTED BONDS INVOLVES A HIGHER DEGREE OF RISK THAN CERTAIN OTHER TYPES OF INVESTMENTS AND THAT GENERALLY UNQUOTED BONDS ARE ILLIQUID SECURITIES.

No representation is made, or warranty given as to the accuracy or completeness of the information contained in this IM relating to future events or the possible future performance of the Company. These are subject to and are based on assumptions and estimates as at the date of this IM; actual results could differ materially.

The Company and its directors, whose names appear on page 16 and 17 of this IM, accept responsibility, both individually and collectively for the information contained in this IM. To the best of the knowledge and belief of the Company and its directors, who have taken all reasonable care to ensure that such is the case, the information contained in this IM is in accordance with the facts and contains no omission likely to affect the import of such information. However, where information has been obtained from public or third party sources, the Company and its directors cannot accept responsibility for the completeness or accuracy of that information and Eligible Investors must form their own opinion as to the reliance they place on that information.

Eligible Investors will need and be expected to make their own independent assessment of the Company and to rely on their own judgment (or that of their independent financial adviser) in respect of any investment they may make in the Bonds and the legal, regulatory, tax and investment consequences and risks of doing so. Investors should not expect to have legal recourse to the Company, its directors or others if this IM is not complete or correct, or if they consider that their understanding of the present financial and trading position of the Company and of its prospects differs from the reality.

All statements of opinion and/or belief contained in this IM, all views expressed and all projections, forecasts or statements relating to expectations regarding future events or the possible future performance of the Company, represent the directors’ own assessment and interpretation of the information available to them as at the date of this IM.

No person has been authorised to give any information, or to make any representation concerning the Company other than the information set out in this Information Memorandum, and if given or made, such information or representation must not be relied on.

This IM is only issued to seek applications by Eligible Investors to subscribe for Bonds under the terms of the application form (“Application Form”), which Application

Form is not available from the Company but is available to Eligible Investors through London Court Limited (an Authorised Person) who are acting as the Company’s registrar, nominee and authorised administrators. Each Application Form incorporates the terms and conditions of this IM and the terms and conditions of the Bonds (“Terms and Conditions”). This IM should be read with particular attention to the Risk Warnings and the Terms and Conditions.

This IM does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is unlawful or unauthorised or in which the person making such offer is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation. It is the responsibility of any person outside the United Kingdom wishing to make an application to invest in the Bonds to satisfy themselves as too full observance of the laws of any relevant territory in connection therewith.

PAST PERFORMANCE IS NOT NECESSARILY A GUIDE TO FUTURE PERFORMANCE AND INVESTORS SHOULD BE AWARE THAT THE VALUE OF SECURITIES (INCLUDING ANY ISSUED BONDS AND INCOME DERIVED FROM THEM MAY GO DOWN AS WELL AS UP AND PROSPECTIVE INVESTORS MAY NOT GET BACK THE AMOUNTS(S) SUBSCRIBED.

This IM is confidential and is being supplied solely for the information of the intended recipient and may not be used, disclosed, copied, reproduced, published, or further distributed to any other person in whole or in part, directly or indirectly by any recipient to any other person (other than their officers and other selected employees on a strictly need to know basis) for any purpose. The contents of this IM must not be distributed or disclosed in written or oral form to any other person, for any purpose without the prior written consent of the Company.

CERTAIN RISKS TO AND UNCERTAINTIES FOR THE COMPANY ARE SPECIFICALLY DESCRIBED IN THE “RISK FACTORS” THIS IM CONTAINS CERTAIN INFORMATION THAT CONSTITUTES “FORWARD LOOKING STATEMENTS” WHICH CAN BE RECOGNISED BY USE OF TERMINOLOGY SUCH AS “MAY”, “WILL”, “SHOULD”, “ANTICIPATE” “ESTIMATE”, “INTEND”, “CONTINUE” OR “BELIEVE” OR THEIR RESPECTIVE NEGATIVES OR OTHER COMPARABLE TERMINOLOGY. FORWARD LOOKING STATEMENTS ARE

PROVIDED FOR ILLUSTRATIVE PURPOSES ONLY. DUE TO VARIOUS RISKS AND UNCERTAINTIES, ACTUAL EVENTS, RESULT OR PERFORMANCE MAY DIFFER MATERIALLY FROM THOSE REFLECTED OR CONTEMPLATED IN SUCH FORWARD LOOKING STATEMENTS.

CERTAIN RISKS TO AND UNCERTAINTIES FOR THE COMPANY ARE SPECIFICALLY DESCRIBED IN THE “RISK FACTORS” SECTION OF THIS IM. IF ONE OR MORE OF THESE RISK FACTORS OR UNCERTAINTIES MATERIALISES, OR IF THE UNDERLYING ASSUMPTIONS PROVE INCORRECT, THE COMPANY’S ACTUAL RESULT MAY VARY MATERIALLY FROM THOSE EXPECTED, ESTIMATED, OR PROJECTED. GIVEN THESE RISKS AND UNCERTAINTIES, PROSPECTIVE INVESTORS SHOULD NOT PLACE ANY RELIANCE ON FORWARD LOOKING STATEMENTS. THE WHOLE TEXT OF THIS IM SHOULD BE READ IN FULL, IN CONJUNCTION WITH THE APPLICATION FORM AND THE TERMS AND CONDITIONS OF THE BONDS.

Nothing in this IM shall be construed as the giving of investment advice by the Company or any other person. If you are in any doubt as to whether to invest in the Bonds described herein, you should consult an independent financial adviser (“IFA”) who is qualified to advise on investments of this nature. Furthermore, you should ensure that you have read and understood all of this IM before taking any steps to apply for Bonds.

The distribution of this IM in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any such distribution could result in a violation of the law of such jurisdictions.

WARNING: the content of this IM has not been reviewed by any regulatory authority in Brazil. Eligible Investors who are resident in that jurisdiction are strongly advised to exercise caution in relation to the content of this IM and any issuance of Bonds under it. If any such Eligible Investor is in any doubt about the content of this IM they should obtain independent professional advice, as appropriate. In particular, no

Bonds will be issued to any person other than those persons to whom it is lawful to do so. This IM has not been approved by the Securities and Exchange Commission of Brazil (Comissão de Valores Mobiliários) or any other regulatory authority in Brazil and,

accordingly, any interests in Bonds may not be communicated, promoted, offered or otherwise sold in Brazil by means of this IM, other than in circumstances which are not unlawful in that jurisdiction and which are in compliance with the rules and regulations of the Securities and Exchange Commission of Brazil, as amended from time to time.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, as defined in Regulations under the Securities Act, nor U.S. residents (as determined for the purposes of the U.S. Investment Company Act of 1940) except pursuant to an exemption from such registration requirements.

The information in this IM is provided on a confidential basis.

English law governs the issue, communication and terms of this IM and any disputes arising in relation to any of them will be subject to the exclusive jurisdiction of the English Courts.

This Information Memorandum is dated 30th October 2022.

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Definitions

The following definitions apply throughout this Information Memorandum unless the context requires otherwise.	
“Authorised Person” a person authorised and regulated by the FCA to advise on investments in securities under FSMA, including the Bonds;	Manager, meet the requirements of COBS 4.9R, and
“Application Form” an application form available through [Haich & Associates Limited] (as the Company’s appointed Authorised Person) and which is to be completed by an Eligible Investor in relation to a subscription for Bonds;	“Eligible Investor” means any of them;
“Bond” or “Bonds” up to £6,500,000 of 8.25% to 12% secured fixed rate bonds due for redemption two years after their respective issue dates in either 2024 or 2025 (as the case may be) as constituted and issued by the Company pursuant to the terms of the Trust Deed, with a final redemption date no later than 30th October 2025;	“FCA” the Financial Conduct Authority of the UK;
“Bondholder” or “Bondholders” the holders of the Bonds from time to time;	“FSMA” The Financial Services and Markets Act 2000;“FinProm” The Financial Services and Markets Act (Financial Promotions) Order 2005;
“COBS” the FCA’s Conduct of Business Sourcebook;	“Information Memorandum” or “Document” this information memorandum;
“Company” or “Issuer” Lisarb Energy Group Limited, a company incorporated in England and Wales on 26th May 2017, under company number 10791074 whose registered office is at Unit B2 Fishleigh Court, Fishleigh Road, Barnstaple, Devon, United Kingdom, EX31 3UD;	“Interest” the coupon payable on the Bonds;
“CREST” means the electronic clearing and settlement service provided by Euroclear UK and Ireland Limited (Company no. 02878738) of Watling house, 33 Cannon Street, London, EX4M 5SB;	“Issuance” the issue of the Bonds (or any of them) under the terms of this IM and subject to the Terms and Conditions;
“Directors” the executive and non-executive directors of the Company at the date of this Document whose details are set out on page 16 and 17 of this Document and “Director” means any one of them;	“Group” or “Group Company” or “Lisarb Group” means the Company, the Parent Company and any of the subsidiaries from time to time of the Company. Each company in a Group is a member of that Group;
“Eligible Investors” persons who fall within any applicable exemption under FinProm and who are eligible to receive a copy of this IM, including those persons who satisfy the relevant criteria of one or more of the following investor classes and have provided the Company with an appropriate exemption certificate in the form set-out in Appendix II;	“Issuance Period” means the period from and including the date of this Information Memorandum up to and including the 30th October 2023;
I. ‘investment professionals’ within the meaning of Article 19 of FinProm and who, for the purposes of the application procedures administered by the ISA Manager, are “professional clients” within the scope and requirements of COBS 3.5;	“Maturity” in relation to the Bonds issued under the terms of the Trust Deed, the date falling two years after the issue of the relevant tranche of the Bonds to a subscriber, with the final maturity date in respect of the Bonds being no later than 30th October 2025;
II. ‘certified high net worth individuals’ within the meaning of Article 48 of FinProm and who, for the purposes of the application procedures administered by the ISA Manager, meet the requirements of rule COBS 4.7.9R;	“Security Trustee” Blue Water Capital Limited who registered office is at 53 Calthorpe Road, Edgbaston, Birmingham, B15 1TH;
III. persons who are ‘certified sophisticated investors’ within the meaning of Article 50 of FinProm and who, for the purposes of the application procedures administered by the ISA Manager, meet the requirements of COBS 4.7.9R; and	“Sterling or £” the official currency in the United Kingdom;
IV. persons who are ‘self-certified sophisticated investors’ within the meaning of Article 50A of FinProm and who, for the purposes of the application procedures administered by the ISA	“Terms & Conditions” the terms and conditions attaching to the Bonds as set out in Appendix I;
	“Trust Deed” means the Trust Deed between the Company and the Security Trustee dated Appendix II constituting the Bonds and incorporating, amongst other matters, the Terms and Conditions.

Summary

The following is a summary of the key points pertaining to the issuance of the Bonds of the Company and should be read in conjunction with the full text of this IM.

Lisarb Energy Group (indistinctively, “Lisarb Energy”, the “Company”, the “Group”) is a vertically integrated independent power producer (IPP) established in 2017 to develop high-quality, high-yielding solar projects in Brazil, and beyond.

The Company offers fully integrated solutions across four key phases of the renewable energy supply chain: Develop, Finance, Construct & Operate.

Lisarb Energy Founders, Jamie MacDonald-Murray and Gustavo Savelli are two businessmen with a deep knowledge of the energy market and a long track record of delivering profits to their stakeholders. With a team of thirty professionals between Brazil and Europe the Company has depth of experience across the renewable energy sector.

The Company operates from offices in the UK, Brazil and Portugal, and has a growing pipeline of solar PV plants in development and which will be in operation in the near to medium-term for both Centralised and Distributed Energy markets in Brazil, Portugal, Spain and the UK, totalling 4.4 GWp.

The success and growth of Lisarb during the last eighteen months has enabled the company to diversify its operations and expand into new territories beyond Brazil.

The Company’s core focus remains solar PV, however we have become technology agnostic and now count both onshore and offshore wind among our specialities.

Lisarb has worked closely with the Department of International Trade (DIT) and UK Export Finance (UKEF), who have championed the company as an “Export Success” with a projected £125m benefit to the UK economy over the next five years.

The proceeds raised from the issue of Bonds will be lent to wholly owned subsidiaries of Lisarb Energy Group Limited. These include Lisarb Energy Europe Limited, and Lisarb Offshore Limited, both UK registered companies, and Lisarb Energia S/A (“Lisarb Energias”), a company registered in Brazil.

The Bond

Issuer

Lisarb Energy Group Limited

Annual Interest Rate

Monthly product 8.25%
Biannual product 12%

Bond Issuance

The Issuer is issuing Bonds under the terms of this IM. The nominal value of each Bond unit is £5,000 (with increments of £5,000 thereafter).

The Bonds will be issued in tranches up to an aggregate principal amount of £6,500,000. The Issuer may choose to issue any tranche of Bonds on the Launch Date and, thereafter, any further tranches may be issued on one or more subsequent dates as the Company may choose.

Number of Bonds

Maximum of 1,300 units

Security

Debenture granted in favour of the Security Trustee, containing fixed and floating charges over the assets of the Company.

Term & Maturity

Two years. Bonds mature for redemption two years after their respective issue dates, with a final maturity date no later than 30th October 2025.

Launch Date:

30th October 2022.

Closing Date

30th October 2023.

Ranking

All Bonds rank pari passu, equally and rateably without discrimination or preference alongside each other within that class of Bonds.

Maximum Investment and Target Raise
The maximum investment is £6,500,000.

Transferable

Ownership of the Bonds can be transferred to another party (as per the terms and conditions set out in the in the Trust Deed).

Security Trustee

Blue Water Capital Limited

Receiving Agent

Lisarb Energy Group Limited

Early Redemption by Bondholders

Bondholders cannot redeem the Bonds before their maturity date.

Purchase of Bonds by the Company

At the request of a Bondholder at any time after 6 months from the date of this IM, the Company may (in its sole discretion) purchase some or all of the Bonds which the relevant Bondholder wishes to sell, on such terms and conditions as shall be agreed between that Bondholder and the Directors. Any Bonds purchased by the Company may be canceled or held in treasury, at the Company's discretion.

Early Repayment by Company

Subject to the prior written approval of the Trustee on behalf of Registered Bondholders, the Company may at any time after 6 months from the date of this IM, by giving the Trustee and the relevant Registered Bondholders not less than 21 calendar days' notice redeem some or all of the Bonds before their relevant maturity date.

Interest Payments

Monthly Product: Interest payments are made monthly, within 7 calendar days of due date, during the term of the Bonds, with the final interest payment being made upon the date upon which the Bonds are redeemed.

Binual Product: Interest payments are made bi-annually, within 7 calendar days of due date, during the term of the Bonds, with the final interest payment being made upon the date upon which the Bonds are redeemed.

Final Maturity Date

30th October 2025

Status of the Bonds

The Bonds are denominated in £ sterling and each Bond is constituted by the Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds to comply with the Terms and Conditions.

Bond Issuance

The Company may issue Bonds up to a maximum consideration of £6,500,000 to Eligible Investors.

Security

Investor security is the Company's priority. In the event of a default, as defined by the Bond Instrument, the Security Trustee will have the benefit of a debenture over the assets of the Company acting solely in the interest of Bondholders.

Governing Law

English Law

Risk Factors

Investing in the Bonds involves substantial risks and prospective investors should refer to the section "Risk Factors" for a description of certain factors that they should carefully consider before deciding to invest in the Bonds.

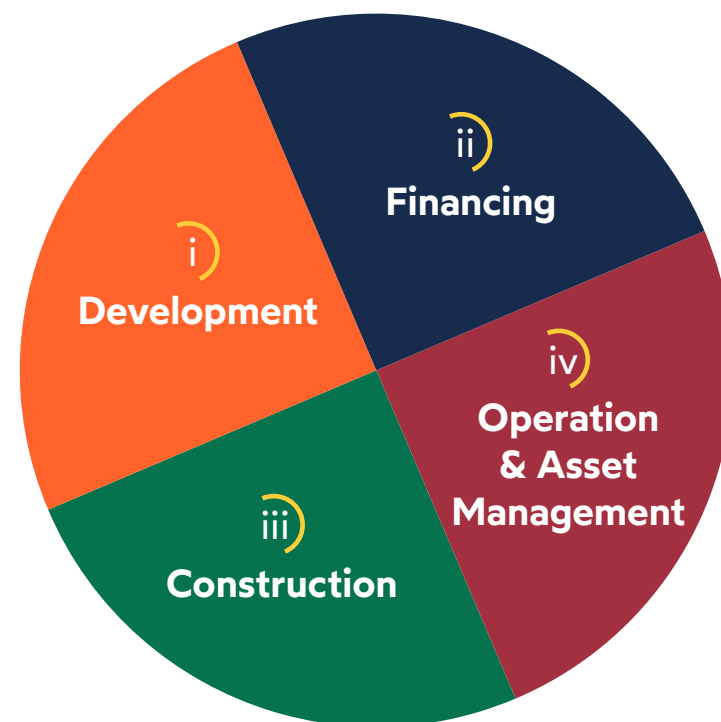
Background

Lisarb Energy was established by two entrepreneurial professionals, with backgrounds in large scale residential property development, infrastructure, finance and the renewable energy sector.

Being a UK based company, Lisarb Energy Group is ideally placed to work alongside world leading green energy funders in London, New York and beyond. The Company's Brazilian offices and teams are located in Rio de Janeiro, Fortaleza and Teresina. Lisarb has offices in Lisbon, Portugal, and in London and Barnstaple, in the UK.

The business was founded in order to operate initially in the Brazilian renewable energy market, the Companies success has allowed it to expand in the European markets of Portugal, Spain and the UK.

The objective of the company is to be a vertically integrated independent power producer. The vertical integration consists of 4 added value phases:

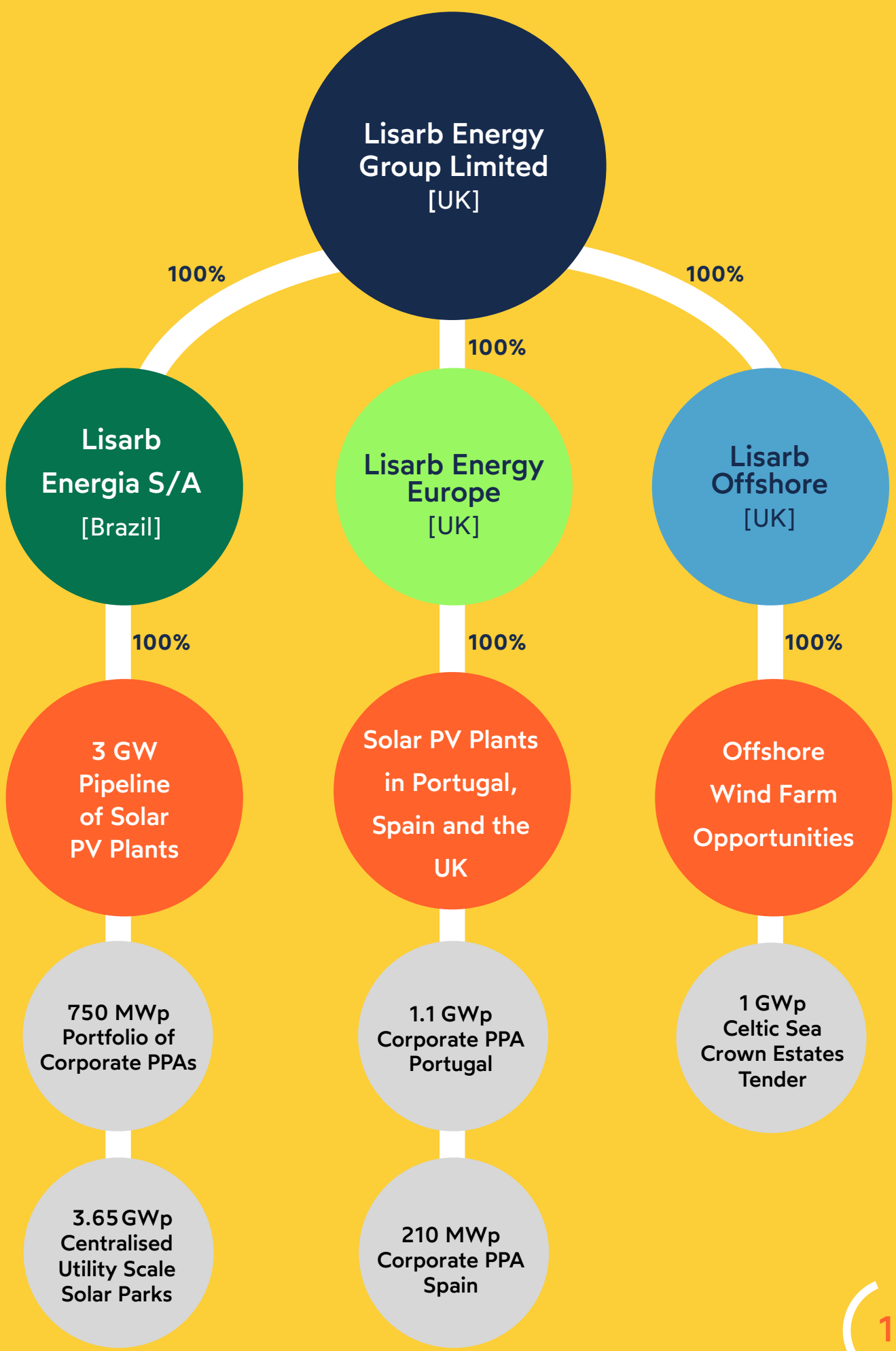


The Lisarb Group are committed to reinvesting 1% of group profits to protect the deforestation of the Amazon, Education & Health Programs, and Cultural Arts in the regions of Brazil where its solar parks are located.

The Group already count a pipeline of solar PV plants that are in operation, construction and in development of 4.4GW, making Lisarb Group a prominent 'player' in the Brazilian solar sector.

Company Structure

The current issued share capital of the Company is 11,250,002 Ordinary Shares of £1 in the ownership of the Company founders.



The Market

The organisation is active in is the production and sale of energy generated by solar PV plants and wind farms. The Company is positioned to benefit from growth in the Global demand for renewable energy including the necessity for companies to buy green energy and for these same corporates to achieve long-term stability in energy pricing.

Brazil has seen significant growth in the demand for energy, in line with its growing middle-class population, with consumption growing by some 5.5 gigawatts annually. There has been a significant increase in investment in green energy production. Traditionally Brazil has relied on hydro power, producing 60.8% of its requirement's, however, with limited new capacity, ageing badly maintained infrastructure and serious droughts affecting hydro plants the energy market is now relying more on the expansion of utility scale wind and solar plants to make up critical capacity that the Brazilian energy matrix needs.

Currently the installed solar power capacity in Brazil is 10.4 GW. Foreign investment in solar PV plants is expected to reach \$54.1 billion (2019-2024), generating a further 30.3 GW of solar energy.

The solar industry has grown the world over thanks to the competitiveness of the technologies that have been introduced over several years. However, in Brazil, the solar industry has not expanded in accordance with global growth, though this has now changed. Given the high electricity prices, solar power stands to become a major player in the electricity market throughout Brazil, Forbes predicts it will be the largest source of energy in Brazil by 2050.

Foreign investment in solar PV plants is expected to reach \$54.1 billion (2019-2024), generating a further 30.3 GW of solar energy.

Business Portfolio in Brazil

Lisarb Energy has a track record of success in developing solar PV parks across Brazil. We are now pursuing a diversification strategy that will maintain our differentiation as we venture into new geographies and innovative renewable technologies through partnerships and acquisitions.

Distributed Energy

Lisarb Energy has a strong pipeline of Distributed Energy PPAs with clients such as Raízen, Origo, Energisa, Bolt and Tradener, among others. The Company develops multiple 2 to 5 MW solar PV parks across multiple Brazilian states to deliver energy to our corporate offtakers. The Company is on track to develop, construct and operate 1GWp of distributed energy solar PV parks by 2025, with long-term ownership of these high-yielding assets its goal.

Utility Scale

The Company develops utility-scale solar PV projects in Brazil that benefit from the best irradiation levels in Brazil. We develop utility-scale solar to construct and operate, delivering energy on the free market via the 'Auto Production' legislation directly to corporate or industrial clients or energy trading companies. Utility-scale solar is also developed to Ready-to-build status to sell these assets to leading Brazilian and multinational renewable energy companies. We have a pipeline of 3.65 GWp of utility-scale solar projects in four states in the Northeast of Brazil.

Vesa Solar, Solarthron & Nalu Credito

The growth of roof top solar for both SMEs and households in Brazil is expanding rapidly due to ever increasing energy costs, and wider knowledge and acceptance of the technologies available. Lisarb have acquired 100% share in a group of three companies that form a circular eco-system to deliver rooftop solar solutions across Brazil.

- Vesa Solar - a licenced importer and distributor of solar pv panels, inverters and storage solutions.
- Solarthron - an installer of roof top solar and battery storage systems in Rio De Janeiro with an 8 year track record.
- Nalu Credito - a company licensed by the Central Bank of Brazil to provide credit to consumers.

Solarthron is being launched nationally in Brazil as a franchise opportunity. We have developed in-house training programs and a business plan for each franchise to follow. A soft launch was undertaken in October with over 100 interested parties. The aim is to have 300 franchises by 2025.

The franchises exclusively buy their equipment from Vesa Solar. The equipment and installation costs for end users, being SMSs or homes, can finance the cost with credit provided by Nalu Credito.

The Brazilian rooftop market surpassed £10 billion in sales during 2021 and is growing at 20% CAGR.

Business Portfolio in Europe

Lisarb Energy in the UK

The UK renewable energy market provides Lisarb Energy with opportunities in both the Solar and Wind markets. To gain market access and plan for the medium and long term we have made two strategic investments in the UK, and created a new subsidiary, Lisarb Offshore.

Iguana Energy - Strategic Investment

Lisarb has become a 60% shareholder in Iguana Energy, a solar company with a portfolio of 60 MW corporate rooftop PPAs in construction across the UK.

Marine Power Systems - Strategic Investment

Lisarb Energy is a minority shareholder in Marine Power Systems Ltd, a Swansea-based engineering firm that has proprietary technology to build and implement floating offshore platforms for wind turbines. Uniquely, MPS also provides a dual-technology platform to generate wind and wave power energy. A major global energy Utility has recently selected MPS to provide 80 floating offshore platforms, a major commercial success. MPS has selected Lisarb as their preferred investor to fund their latest round, and we have the opportunity to buy 25% of MPS.

Lisarb Offshore - New Subsidiary

Lisarb has entered into a joint venture agreement with Prosperity Energy to for a global offshore wind development platform.

The platform, Lisarb Offshore, has assembled a team of experienced experts from the wind industry, picking key individuals with demonstrative track records delivering offshore wind farms from companies such as Ørsted, Vestas and Wood Group.

Lisarb Offshore will leverage the team's expertise in onshore and offshore wind opportunities to secure projects in the UK, Europe, Brazil and Asia.

The platform has three current projects being; 1 GW floating offshore wind in the Celtic Sea, 100 MW floating offshore wind & green hydrogen in Shetland Islands, and a 2 GW floating offshore wind and green hydrogen project in Brazil.

Deloitte are running a £170m funding round for Lisarb Offshore, and we have already received offers from Utilities, EPCI's and Funds.

Lisarb Energy Europe - New Subsidiary

The company has formed a new UK limited company to own and operate our solar PV assets in Portugal and Spain. The portfolio already includes 1.04 GWp of solar PV with another 2 GWp in opportunity analyses.

Financials

Audited 2020 and 2021 accounts summary

	31/03/2021		30/05/2020	
	£	£	£	£
Assets				
Trade and other receivables	1,110,733		1,080,576	
Investments	74,842,288		20,709,537	
Non-current assets		75,953,021		21,790,113
Trade and other receivables	2,666,869		900,096	
Cash and cash equivalents	138,631		1,016	
Current assets		2,805,500		901,112
Total assets		78,758,521		22,691,225
Equity				
Share Capital		11,250,002		11,250,002
Fair Value Reserve		64,465,802		9,459,537
Retained Value		196,192		28,850
Total Equity		74,911,996		20,738,389
Liabilities				
Bonds		1,900,846		801,207
Loans & Borrowings		156,482		555,827
Non-Current Liabilities		2,057,328		1,357,034
Loans and Borrowings	1,309,567		452,500	
Trade and other payables	479,630		143,302	
Current Liabilities	1,789,197		595,802	
Total Liabilities		3,846,525		1,952,836

Revenues

Revenue from the projects are generated from the sale of energy as agreed to in the Power Purchase Agreements that the company has entered into with our corporate clients. All projects are held in individual project SPV companies that are wholly owned subsidiaries off Lisarb Energy.

The sale of Utility Scale solar PV parks to multination energy companies will see blocks of capital income, which will allow the company to further grow our pipeline and investments. Revenues generated from our strategic investments will be reconciled on an annual basis in accordance to the accounting periods of the said companies.

Revenue and profits from our Brazilian operations are reconciled on a monthly basis, with profits repatriated to the UK. Lisarb Energy Group work with tier one banks in the UK and Brazil to hedge our currency exposures.

Use of Proceeds

The proceeds raised from the Bond issue are used to meet the ongoing development and capital costs of the Group to expand its portfolio of solar PV and wind assets in Brazil and Europe. Funds are on-leant to subsidiary companies that are owned and controlled by Lisarb Energy by means on an inter-company loan agreement.

Where the company makes strategic investments, the company always has one or more board seat and vetos in place to effectively control our funds and assets.

Marketing & Professional Fees

The Company will engage professional advisory firms along with marketing and wealth management companies to undertake the marketing and advertising of the Bonds. Commissions for these services are variable and will be payable from the proceeds raised from the issue of the Bonds. A maximum of 10% of the proceeds raised from the Bond issue will be used for marketing purposes.



The Directors & Co-Founders



Jamie MacDonald-Murray

Co-Founder & Chairman

Jamie has shown himself to be an astute entrepreneur, running his own businesses from a young age. With a background in real estate development that had its foundations in Brazil, where, as a natural deal-maker, he secured major contracts and through a series of companies developed residential housing, apartment complexes, and land urbanisation projects until 2016. He now develops net-carbon-zero housing in the South West of England through Nalu Homes. Investing in renewable energy sector in Brazil was a logical step to take, to diversify his portfolio, and promote the generation of clean energy.



Gustavo Savelli

Co-Founder & CEO

With extensive experience in the financial and project deployment areas, he has always worked in Civil Construction and related sectors. Through a long-term partnership with Jamie MacDonald-Murray in real estate development projects, they decided to establish Lisarb Energy with the objective of investing in renewables, and more specific solar energy projects in north east Brazil. Since 2017 he has participated in industry fairs and sector meetings, which led him to win a contract for the execution of the civil-construction work for the São Gonçalo Solar Energy Park, the largest in Brazil at 424MW, on behalf of ENEL Green Power.

The Management Team



Wayne Page

COO

Wayne has spent thirty years in the Finance sector. Starting his career as a Senior auditor for Standard Chartered Bank, and then as a Senior Business Development Manager at Legal & General. In his previous role as the Managing Partner, he built a Tax advisory business for a top ten accountancy firm. Wayne has advised high-profile business clients both in the UK and Internationally, personally and professionally.



Fabio Oliveira Moulin

Head of Engineering

Working alongside our technical director, Fabio is responsible for the technical specification of our solar parks to ensure that they are reliable and deliver industry-leading performance. He is a pioneer of the solar industry in Brazil, having specialised in PV power installation solutions for many years. His expertise in solar PV systems led to him creating an industry-leading training course for installers.



Fabio Luis Ramos

Operations Director

Fabio leads Lisarb’s project management and development activities. He is a veteran of the renewable energy market in Brazil, having been involved in renewables since the outset. His extensive experience includes government auction projects and more recently large-scale projects for the open-market distributed energy generation market – a sweet-spot for Lisarb Energy.



Sue Taylor-Jago

Finance Director UK

Sue has over thirty year’s experience in her field which began in a direct mailing company as a purchase ledger clerk. Her career soon grew, whilst gaining experience within a wide variety of industries from film and television, spice blend manufacturing and most recently, foodservice wholesale. She has progressed over the years and in her most recent role, reported and presented at board level and was a member of the Senior Management team.

The Management Team



Fabio Costa

Commercial Director

Advertising executive with over 20 years of experience in creation, planning and management of major campaigns for retail: CAO, GPA (Extra, Pão de Açúcar), Habibs, Cyrela, Setin, Continental Tires, Shopping Aricanduva, Shopping Paulista, Shopping Penha, Pfizer, among other major retail brands. In the energy sector since 2016 he has conducted several commercial consultancies for large groups in Brazil, with a total of 2GW.



Ian Stout

MD - Lisarb Offshore

Ian is passionate about the environment. After working for major consultants, contractors and utilities in the environment and renewable energy sectors, he wanted to create a new business model, one that profits the triple bottom line of environmental prosperity, economic prosperity and social prosperity.



David Garner

Development Director - Lisarb Offshore

David is a renewable energy professional with 20 yrs experience in the marine sector. His expertise is in developing offshore wind projects, having worked on more than 20 offshore wind farms, across every phase of a project's lifecycle; from site selection, through development, construction, and operation.



Victor Duraes

Finance Manager - Brazil

Vitor is graduated in accountant and has experience in coordinate the accounting team, accounting entries, analysis of accounts and trial balances, closing balance sheets, taxes calculation and invoice issuance.

Risk Factors

The risks described below, in no particular order or priority and without being all-encompassing, are those risks that the Directors reasonably consider at the date of this IM to be material to a decision as to whether to make an investment in the Bonds but are not the only risks relating to the Company and/or the Bonds. If any of the following risks, as well as other risks and uncertainties that are not herein identified or that the Company does not consider to be material at the date of this Document, were to occur, then these could have a material adverse effect on the Company’s ability to fulfil their obligations to pay interest, principal or other amounts in connection with the terms under the Bonds. Eligible Investors are strongly advised to consult their stockbroker, bank, solicitor, accountant or other financial adviser who is authorised under FSMA to advise on investments of this sort if they are in any doubt.

Risk to Capital - Invested capital is at risk and you may not get back what you invest

The Company, like all businesses, is vulnerable to financial difficulties and investing in unlisted corporate bonds involves significant risk of default and loss of capital. Whilst the Company may have available funds to satisfy all of its capital requirements, there can be no guarantee that any, or sufficient funding will continue to be available to the Company in future investment in securities of this nature is speculative and involves a higher degree of risk than other types of investment. Investments of this type are not suitable for all investors.

Transferability

The Bonds are transferable as per the terms set out in the Terms and Conditions.

Illiquid Investment

The Company is not yet listed on any stock exchange so Bonds cannot easily be sold. Also, as the Company is unlisted it is not subject to all the rules and regulations that apply to listed companies.

Eligible Investors should assume they will need to hold Bonds for the full term and therefore prospective investors should not submit an Application Form unless they are prepared to hold the Bonds for their full term. In the event of the death of a Bondholder or in other exceptional personal circumstances, individual Bondholders may

be repaid early. However, any such early repayment is at the Company’s discretion and subject to their being sufficient cash available at that time.

Financial Services Compensation Scheme and Regulation

The content of this document has not been approved by an authorised person within the meaning of the Financial Services and Markets Act 2000. Please note that this is an unregulated product. The compensation entitlements under the Financial Services Compensation Scheme (FSCS) do not apply to this investment. In the event of the Company being unable to pay either the capital or interest payments, the protections afforded by the Financial Services and Markets Act 2000 including recourse to the Financial Ombudsman Service and access to the FSCS will not apply.

Security No Guarantee of Repayment

Even though the Bonds are secured by way of a debenture over the Company’s assets, meaning Bondholders rank ahead of unsecured creditors in a default situation, the Company assets have not been valued and the presence of this security does not guarantee that investors in the Bonds will be repaid at maturity or receive their interest payments in full. The Bonds rank below employees, administrators but ahead of unsecured creditors. The Company also has the right to enter other debt arrangements, issue further Bonds and to grant other security over its assets provided it ranks equal to or behind the security in favour of Bondholders. This means that the Company’s available assets may be spread around a larger group of secured creditors in a default or insolvency situation resulting in less being available to satisfy the claims of Bondholders.

Fixed Interest Rate and Inflation

The Bond attracts a fixed rate of interest and as such will not benefit from any subsequent increases in market interest rates. Accordingly, you should note that a rise in interest rates may adversely affect the relative returns that the Bonds offer. Further, inflation may reduce the real value of the returns over time.

No Right to Participate in Management or Profits Beyond Fixed Return

Bonds are a very different kind of investment to equity shares and Investors do not own a stake or have any right to participate in management of the

Company. As such Bondholders will not be in a position to object to particular strategies or decisions of the Directors.

Security Trustee

Whilst the security in favour of Bondholders is held on their behalf by a Security Trustee, the Security Trustee shall not be responsible, nor shall face any liability, for any loss incurred by the Bondholders relating to a failure of the Company to make payments (whether of interest or of the principal amount) to the Bondholders when due. The Security Trustee will not have any ability or responsibility to protect any monies in the accounts of the Company which may have been set aside for payment of interest or the principal amount in respect of the Bonds. The Security Trustee cannot guarantee return of any monies in the event of default. The Security Trustee has no role in the day to day management of the Company and its personnel are not experts in the Company’s business. Accordingly, in the event that the security is enforced, there can be no guarantee that it will be possible to realise the assets for the same value as stated in the IM (or realise them at all in some cases).

Cancellation Rights

Investors will have 10 working days from the date they sign the Application Form to cancel an application to subscribe for Bonds. Investors should review the term and conditions of application carefully and seek professional advice from financial intermediaries authorised under FSMA to advise on investments of this type.

Risk To Changes in Regulation

Changes to existing laws or regulations or the creation of new laws or regulations may have an adverse effect on the Company’s business and could result in the Company failing to generate sufficient returns to service the Bonds or redeem them in full (or at all). The Company and each Group Company will be under a duty to comply with any new rules, regulations and laws applicable to “green energy” and/or other types of environmentally friendly energy projects. Approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental offices. The Company and each other member of the Group must comply with existing standards, laws and regulations that may entail greater or lesser costs and delays, depending on the nature

of the activity to be permitted and the permitting authority. New laws and regulations could have a material adverse impact on the Company’s results and financial condition.

The Company’s and each other Group member’s intended activities will be dependent upon the grant and maintenance of appropriate licences, leases, permits and regulatory consents which could subsequently be withdrawn or made subject to limitations. There can be no assurance that they will be granted, renewed or, if so, on what terms.

Risks Relating to the Company

Investments in this type of Company carry particular risks over and above the general risk of unquoted debt investment described above. Investors are reminded that there is no guarantee that the Company’s strategy or trading activities will be successful and that their investment is consequently at risk.

Performance Risk

The Company may not perform as well as expected and may even fail completely. Investors are reminded that any financial forecasts include in this document are hypothetical projections only. Projected results have many inherent limitations and there are frequently sharp differences between such projections and the actual results subsequently achieved. The Company cannot make any representation or warranty as to what the actual results will be and has provided its projections by way of illustration only.

Personnel

The Company’s performance is dependent on the continued services and performance of members of its management team, operational employees and professional advisers. If the Company does not succeed in retaining skilled personnel, fails to maintain the skills of its personnel or is unable to continue to attract and retain all personnel necessary for the development and operation of its business, it may not be able to grow its business as anticipated or meet its financial objectives including the servicing, and ultimately the redemption, of the Bonds.

Operational Risk

Operational risk and losses can result from external and internal failures or inadequacies, failure to comply with regulatory requirements and conduct of business rules, natural disasters or the failure of external systems, for example, those of the Company's and/or any Group Company's contractual counter-parties. Operational factors may disrupt the Company's activities and result in increased internal costs, project delays, aborted projects and/or project cost increases. These risks may be related to and not limited to:

- The capacity of the staff and systems to develop the site into a solar energy park.
- The ability to retain key members of the Management Team (see 'Personnel' below)
- Failure to satisfy contract conditions, budget cost overruns and losses

If one or more of these risks were to occur, the Company may not generate sufficient returns to services the Bonds or redeem them in full (or at all).

Funding Risk

Financial institutions and/or other institutions lending to the Lisarb Energy Group may choose to withdraw their facilities due to changes in their lending policies or an inability to agree lending terms with the any member of the Group. Were this to happen, it may not be possible for the Company to meet its contractual obligations. This could result in a halt in development and potential financial losses.

Loss of License

In the event that any of the Company's licences were to be suspended or revoked, or the Company was no longer being a party to one of the relevant industry documents, the Company may no longer be able to operate in the energy generation industry. This could affect the Company's ability to repay Bondholders.

Other Risks and Considerations

Diversified Portfolio

Investors are reminded to maintain a balanced portfolio. Diversification by spreading your money across different types of investments should reduce your overall risk. Investors should only invest a small proportion of their available investment funds via this Offer (and others like it) due to the high risks involved.

Marketing Costs

A significant cost to the Company is the payment of fees to marketing companies which may be up to 10% of those funds raised. As such, the Company may only have as little as 90% of such funds raised by the issue of the Bonds available to fund its solar energy activities. This means that the Company will have to generate a higher return on the funds deployed in order to achieve a level of internal return sufficient to service and ultimately redeem the Bonds. Consequently, this increases the risk to Bondholders of non-payment.

Taxation Risk

The statements in this document regarding taxation only represent the Company's understanding of the current law and practice as regards the taxation of the Bonds. Nothing in this document should be consider tax or legal advice and prospective Investors are recommended to seek their own independent advice before investing. The tax legislation referred to herein may change in the future and such changes may have retrospective effect. Investors are reminded that any future legislation regarding taxation could also have an adverse effect on the Company's profitability. Individual tax circumstances may differ from Investor to Investor and persons wanting to invest are advised to seek specific tax advice based on their personal circumstances.

Forward Looking Statements

Certain information contained in this document constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "assumed", "example", "illustrative", "may", "will", "should", "expect", "intend", "anticipate", "project", "estimate", "plan", "seek", "continue", "target", or "believe", or the negatives thereof or other variations thereof or comparable terminology, and include projected or targeted minimum returns to be made by the Company. Such forward looking statements are inherently subject to material, economic, market and other risks and uncertainties, including the risk factors set out in the 'Summary' and 'Risk Factors' sections of this document and, accordingly, actual

events or results or the actual performance of the Company may differ materially from those reflected or contemplated in such forward- looking statements. In addition, Investors should not place undue reliance on "forwardlooking statements", which speak only as of the date of this Information Memorandum.

Tax

Investors are advised to take their own tax advice on the tax consequences of acquiring, holding and disposing of the Bonds. The comments below are of a general nature and are based on current United Kingdom law and practice. They relate only to the United Kingdom withholding tax treatment of interest payable on the Note. The comments do not deal with any other United Kingdom tax implications of acquiring, holding or disposing of the Note, and relate only to the position of Investors who are the absolute beneficial owners of the Note. Tax treatment depends upon individual circumstances and may be subject to change in the future. For UK residents, the Company is liable to withhold tax at a rate of 20% (equivalent to the basic rate of income tax) on the interest payments made to the Investor. Interest income is taxable in the UK at the taxpayer's highest marginal rate of tax and therefore the Investor may have additional income tax liabilities (subject to any domestic law exemptions). The Issuer will make the necessary arrangements to deduct and pay basic rate tax due from your interest payment direct to HMRC. For Investors who are nontaxpayers, interest payments will still be paid net of tax and a tax certificate will be issued to the relevant Investor after each interest payment.

For a corporate Investor or charity, in each case resident in the UK for corporation tax purposes, the interest payment will be paid gross without any withholding of tax at source from the interest paid. Interest on the Note may be subject to additional United Kingdom income tax or corporation tax by direct assessment, depending on the circumstances of a particular Investor. It is possible that legislation may change in the future or may be introduced with retrospective effect. Individual tax circumstances may differ from Investor to Investor and persons wanting to invest are advised to seek specific tax advice based on their personal circumstances.

Legal Proceedings

Litigation may arise periodically, in the course of the Company's business. The Directors of the Company cannot rule out legal proceedings, whether with merit or not, being brought against the Company. Such litigation may have a material detrimental effect

on the financial condition, results or operations of the Company.

Compliance With Anti-Money Laundering ("AML") Laws

The Company faces potential exposure to money laundering activities through its business activities, in that customers could be involved in the funnelling, transferring or clearing of illicit funds, which could be intermingled with funds provided by the Company. While the Company has AML policies, processes and procedures in place, the Directors cannot guarantee that they eliminate the risk of money laundering, including actions by the Company's staff, for which the Company might be held responsible.

Conflict of Interests

In the future, the listing agent may undertake investment and/or commercial banking or other services for the Company in the ordinary course of the business. Consequently, conflicts of interest may exist or might arise as a result of the listing agent having previously engaged, or engaging in the future, in transactions with other parties, having many roles, or carrying out other transactions for third parties with conflicting interests.

Coronavirus Disease (COVID-19)

The Coronavirus (COVID-19) is an infectious disease which has caused a worldwide pandemic that is affecting the health and lives of countless numbers of people around the world. As at the date of this IM, there are on-going clinical trials to try and combat the disease, but no available vaccines or medicines to treat or cure the causes or symptoms of the disease are currently available. As a result of the impact of the Covid-19 pandemic, there has been a dramatic effect on the worldwide economy, including the UK economy, which in turn could have a significant adverse effect on the Lisarb Energy Group's business and trading, such that the Company may be unable to make capital repayments on the Bonds and/or make interest payments. Prospective investors should take advice on what steps they may take to guard against and mitigate such risks.

FAQs

What are Bonds?

A bond is a debt obligation; a type of loan. Bonds are created using a legally binding agreement which evidences the existence of a debt between a borrower (the issuer) and one or more lenders (bondholder(s)). The agreement (usually called the bond 'instrument') sets out the terms and conditions applying to the bonds including the maximum nominal amount of bonds that may be issued, the applicable interest rate and repayment dates.

What does debenture over the company mean?

A debenture or "security deed" as it is sometimes known, is a form of security, usually granted in favour of a security trustee to hold on behalf of bondholders, which generally attaches to all the current and future assets of the issuing company. In the event of a default (such as nonpayment of interest or capital), the security trustee can enforce the security and take control of the issuer's assets in order to sell them for the benefit of the bondholders.

How Is An Investment in Bonds Secured?

An investment is secured by way of a debenture (see above) over the Company's assets meaning bondholders rank in priority to unsecured creditors of the Company. The terms of the debenture prohibit the Company from granting any other security which ranks in priority to that granted to the security trustee on behalf of bondholders. The presence of this security does not mean, however, that capital and returns are guaranteed.

Is This A Regulated Product?

No neither the Company nor the Bonds are regulated. Accordingly, this is a higher risk investment than alternative regulated products.

When do I get My Original Investment Back?

The Bonds are due for redemption by the Company on the second anniversary of the applicable date of issue, in accordance with the Terms and Conditions appended to this IM.

Who Can Invest?

Any individual who is over the age of 18, or a trust, company, the retail sector or charity that is not prevented by the laws of its governing jurisdiction from applying for or holding the bonds. Prospective investors must make any application for Bonds through the web portal operated and maintained by the ISA Manager (details on page 27). Eligible Investors shall, where required in conjunction with the application procedures, provide the Company with an appropriate form of certification (as per Appendix II) and provide the ISA Manager with KYC and AML evidence, proof of source of investment funds, and the appropriate forms of certification where the relevant investor falls within one of the following categories:

- (i) professional clients (as per COBS 3.5R); or
- (ii) certified high net worth investors (as per COBS 4.7.9R); or
- (iii) certified sophisticated investors (as per COBS 4.7.9R); or
- (iv) self-certified sophisticated investors (as per COBS 4.7.9R);

and for whom an investment in Bonds can be assessed as being appropriate in light of their knowledge, experience and expertise. We recommend all investors speak to an independent advisor who is authorised and regulated by the FCA under the Financial Services and Markets Act 2000 and who specialises in investments in securities such as bonds.

Can I Include This Investment as Part of My SIPP or SASS?

You may be able to hold your Bonds in a SIPP and SASS wrapper provided your pension provider is willing to accept nonstandard assets such as unlisted securities. Investors must check with pension provider first and should not assume the Bonds will be SIPP or SSAS-eligible.

Can I Invest Through A Company And Are Joint Applications Allowable?

Yes, corporate investments or joint applications can be accepted.

When Is The Start Date Of The Interest Calculated From?

Interest accrues and is calculated from date a Bondholder is entered on the Company's register of bondholders as the holder of Bonds, and after the investment funds are cleared and made available to the Company (and all KYC and AML documentation has been received).

Can I Sell or Give My Investment to Someone Else?

Bonds are legally transferable but are not expected to be ready market for their secondary sale and purchase. The Bonds will not be listed on any stock exchange.

If I Die, What Would Happen to My Investment?

Subject to available cash resources, the Directors will endeavour to redeem, within a reasonable period, Bonds held by the executors of deceased Bondholders, where so requested, to assist with probate liquidity.

What Tax is Payable on My Investment?

Interest will be paid tax free where you hold your Bonds in an IFISA. Where you hold your Bonds outside an IFISA, withholding tax will be deducted. This will depend on your personal circumstances. In most cases, you will receive interest payments after the deduction of 20% "withholding tax" which we will pay direct to HMRC on your behalf, as is required under UK law. In this case, we will supply you with an annual statement setting out the tax paid. Where you are a higher or additional taxpayer, you may be required to pay additional tax. In certain circumstances, withholding tax usually does not apply, for instance where the subscriber is a UK company or where the bonds are held in a pension. For all information about tax we recommend all Investors speak to an independent specialised tax advisor who is authorised and specialises in investments of this kind.

Should I Discuss This Investment Opportunity With A Financial Advisor?

We recommend all prospective investors speak to an advisor who is authorised and regulated by the FCA for the purposes of the Financial Services and Markets Act 2000 and specialises in investments of this kind.

What Happens If I Change My Mind?

You may cancel your application, in writing, at any time within 10 working days from the date on which your application is received.

I Have More Questions – How Can I Get Them Answered?

Our account managers would be very pleased to assist you with any questions. You can contact –

Phone: **01271 452240**

Email: **hello@lisarb.energy**

How To Apply

You may apply to invest in Company Bonds from 30th October 2022 provided you are an Eligible Investor as defined on page 6.

- 1) Read the full text of this Information Memorandum, including Appendices.
- 2) If you are in any doubt about the action you should take, or the contents of this document then consult a professional adviser authorised under FSMA, who specialises in advising in shares and other securities.
- 3) Once you have decided to proceed, you should request an Application Form. This can be done through the site <https://portal.myinvestmenthub.co.uk/product-template.html?pfam=LE>
- 4) Make yourself familiar with the application Terms & Conditions, including the Bond Terms & Conditions.
- 5) Submit your Application as per the website.
- 6) Once an application is approved and accepted, and Eligible Investor has been verified by London Court and the on-board procedures completed, including the applicable AML/KYC procedures, the Eligible Investor will receive an email confirmation on how and when to submit payment for the Bonds subscribed for.
- 7) Following receipt of funds, the investment will be recorded by the Registrar in the Company's Register of Bondholders, and the relevant Bonds issued in dematerialised (electronic) format through CREST to the relevant nominee acting on behalf of the applicable Bondholder. All Bonds shall be issued subject to, and with the benefit of, the Terms & Conditions, as set out in Appendix I.

General Information

Statutory Company Information

The Company was incorporated in England and Wales as a private limited company on 26th May 2017 with the name Lisarb Energy Group Limited and with registered number 10791074. The principal legislation under which the Company operates is the Companies Act 2006. The liability of members of the Company is limited.

Registered Address

The registered address of the Company Unit B2 Fishleigh Court, Fishleigh Road, Barnstaple, Devon, United Kingdom, EX31 3UD.

Company Advisers:

ISA Manager: London Court
Registrar: London Court
Security Trustee: Blue Water Capital Limited
Receiving Agent: Lisarb Energy Group Limited
Solicitors: Maddox Legal Limited
Accountant: Thomas Westcott
Auditors: Carter Baker Winter

Interests of Directors & People with Signification Control

The interests of each person with significant control ("PSC"), as defined by The Register of people with Significant Control Regulations 2016, are provided below:

Jamie MacDonald-Murray - 50%
Luiz Gustavo Luz Savelli - 50%

Articles of Association

The Company's current Articles can be viewed online at the Companies House website or will be provided on request from the Company.

Directors

As at the date of this IM, the directors of the Company are;

Jamie MacDonald-Murray
Luiz Gustavo Luz Savelli

Material Contracts

There are no material contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company with a term value greater than £50,000 per annum within two years preceding the date of this document.

Working Capital

Taking into account the minimum net proceeds of the Offer, assuming the Offer raises the minimum amount, the Directors are of the opinion that the Company has sufficient working capital for its present requirements, that is for at least 12 months from the date of this document.

Litigation

The Company is not engaged in legal or arbitration proceedings, active (or so far as the Company is aware pending or threatened) against or being brought by the Company which are having or may have a significant effect on the Company's financial position.

Other Information

The Company's accounts will be prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom. The accounts will be drawn up on a going concern basis. The accounting reference date of the Company is 31 May, unless amended by the Issuer at a future date.

Taxation

All prospective investors are advised to take their own tax advice on any tax consequences of or relating to acquiring, holding and/or disposing of the Bonds. The comments below are of a general nature and are based on current United Kingdom law and practice. The comments below do not deal with any other United Kingdom tax implications of acquiring, holding or disposing of the Bonds or any of them, and relate only to the position of Bondholders who are the absolute beneficial owners of Bonds. Tax treatment relating to any holdings of Bonds depends upon individual circumstances and may be subject to change in the future. All payments on the Bonds will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (Taxes) imposed or levied by or on behalf of the United Kingdom or any political subdivision or any authority of the United Kingdom having power to tax, unless the withholding or deduction of the Taxes is required by law. For a corporate investor or charity, in each case resident in the UK for corporation tax purposes, the interest payments will be paid gross without any withholding of tax at source from the interest paid. Interest on the Bonds may be subject to additional United Kingdom income tax or corporation tax by direct assessment, depending on the circumstances of a particular Bondholder. The Company does not offer or provide any tax advice and, as highlighted in the section titled "Important Information" Eligible Investors and existing Bondholders should seek their own tax advice from a suitably qualified tax adviser

Documents Available for Inspection

Copies of the following documents may be inspected at the registered offices of the Company during usual business hours on any weekday (weekends and public holidays excepted), or can be emailed on request:

- (i) The Company's Articles of association.
- (ii) The Company's Statutory Registers.
- (iii) Security Trustee Agreement.
- (iv) Security Deed (Debenture).
- (v) Grid access authorisation for the four Solar PV plants.
- (vi) Environment Licenses for the Solar PV plants.

Representation and other matters

As at the date of this IM, the Director(s) make the following representations:

There are no loans or guarantees provided by the Company for the benefit of the Director.

There are no service contracts proposed to be entered into between the Director and the Company.

In addition to the directorships of the Company, the Director is or has been a member of the administrative, management or supervisory bodies or partners of the following companies or partnerships (which unless otherwise stated are incorporated in the UK) within the five years prior to the publication of this document:

Jamie MacDonald-Murray	Luiz Gustavo Luz Savelli
Current Company Name & Company Number	Current Company Name & Company Number
LISARB ENERGY GROUP LTD (10791074)	LISARB ENEGY GROUP LTD (10791074)
LISARB DEVELOPMENT LTD (06509978)	
NALU LIMITED (10877594)	
NALU HOMES SPV 101 LIMITED (11028507)	
NALU HOMES SPV 102 LIMITED (11028570)	
NALU HOMES SPV 103 LIMITED (10461141)	
NALU HOMES SPV 104 LIMITED (11695557)	
NALU HOMES SPV 105 LIMITED (11695693)	
NALU HOMES SPV 106 LIMITED (11696004)	
MDMY CAPITAL LTD (11678728)	
Past Company Name & Company Number	Past Company Name & Company Number
NEW HORIZON HOMES (07625039)	

As at the date of this Information Memorandum, neither the Director nor any PSC has, in the past five years immediately preceding the date of this Information Memorandum:

- I) Any convictions in relation to fraudulent offences or unspent convictions in relation to indictable offences;
- II) Had a bankruptcy order made against him or entered into an individual voluntary arrangement;
- III) 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 which has been placed in receivership, compulsory liquidation, creditors’ voluntary liquidation, administration, company voluntary arrangement or which entered into any composition or arrangement with its creditors generally or any class of its creditors whilst he was acting in that capacity for that company or within the 12 months after he ceased to be so acting;
- IV) Been a partner in any partnership placed into compulsory liquidation, administration or partnership voluntary arrangement where such director was a partner at the time of or within the 12 months preceding such event;
- V) Been subject to the receivership of any asset of such director or of a partnership of which the director was a partner at the time of or within 12 months preceding such event; or
- VI) Been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including designated professional bodies) nor has he 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.

Other than as set out in this Information Memorandum, the Director has not been interested in any transaction with the Company, which was unusual in its nature or conditions or significant to the business of the Company during the current financial year, which remains outstanding or unperformed.



Appendix I

Bond Terms & Conditions

The following are the terms and conditions applicable to the Bonds (these “Conditions”).

The £6,500,000 8.25% to 12% secured fixed rate bonds due 2024 and 2025, with a final redemption date of 30th October 2025, (“Bonds”) of LISARB ENERGY GROUP LIMITED, a company incorporated and registered in England and Wales with number 10791074 whose registered office is at Unit B2 Fishleigh Court, Fishleigh Road, Barnstaple, Devon, EX31 3UD (the “Company”), are constituted by a trust deed dated 27th May 2017 (such trust deed as modified and/ or supplemented and/or restated from time to time, the “Trust Deed”) and secured by a Security Deed (as defined below), dated the same date as the Trust Deed and made between the Company and BLUE WATER CAPITAL LIMITED a company incorporated and registered in England and Wales with number 10870130 whose registered office is at 53 Calthorpe Road, Edgbaston, Birmingham, United Kingdom, B15 1TH(as trustee pursuant to both the Trust Deed and the Security Deed, the “Trustee”, which expression shall include any successor as Trustee) as trustee for each Registered Bondholder (as defined below).

Copies of the Trust Deed and the Security Deed are available for inspection during normal business hours at the registered office for the time being of the Company as at the date of the issue of the Bonds and at the registered office of the Trustee. The Registered Bondholders are entitled to the benefit of, and are deemed to have notice of, all the provisions of the Trust Deed and the Security Deed.

Certain of the statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed (which includes these Conditions) and the Security Deed. In the event of any conflict between these Conditions and the Trust Deed or the Security Deed, the Trust Deed or the Security Deed, as applicable, shall govern.

1. DEFINITIONS

Capitalised terms used herein without definition shall have the same meanings ascribed to such terms in the Trust Deed unless the context otherwise requires or unless otherwise stated.

In these Conditions:

“Applicable Issue Date” means, in respect of a Tranche, the date on which such Tranche is issued (which, in the absence of manifest error, is the date of first entry of the relevant Bondholder(s) into the Register);

“Appointee” means any attorney, manager, agent, delegate, nominee, custodian, receiver or other person appointed by the Trustee under, or pursuant to, these Conditions, the Trust Deed or any Security Deed;

“Business Day” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the City of London;

“Company Security” has the meaning given to it in Condition 4 (Security);

“Events of Default” means the events detailed in Condition 12.1 (Events of Default) and “Event of Default” means any of them;

“Interest Payment Dates” means, as per Condition 8.1, the dates in each year upon which interest payments are made and which dates fall within seven calendar days after the applicable Interest Record Date in each annual period during the Term of the Bonds, with the last interest payment being made on the final Maturity Date upon final redemption of the Bonds, and “Interest Payment Date” means any such date;

“Interest Record Dates” means, together, the dates falling on the last day of each consecutive calendar month during the Term of the Bonds, up to and including the date on which the Bonds are redeemed, and

“Interest Record Date” means any such date;

“Maturity Date” means, in respect of a Tranche, the date which falls two (2) years after the Applicable issue Date of that Tranche, with the last maturity date in respect of the Bonds being no later than 30 October 2025;

“Potential Event of Default” means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/ or request, would constitute an Event of Default;

“Registered Bondholder” means the person(s) in whose name any Bonds are, or any Bond is, registered (regardless of underlying beneficial ownership), and

“Registered Bondholders” means all or any of the them (as the case may be);

“Relevant Date” means, with respect to any payment due in respect of the Bonds, the date on which such payment first becomes due but, if the full amount of the money payable has not been received by the Paying Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect is duly given to the Registered Bondholders by the Company in accordance with Condition 13 (Notices);

“Reserved Matter” means a modification of a Maturity Date or the Interest Payment Dates, a reduction or cancellation of the principal or interest payable in respect of the Bonds or an alteration of the currency of payment of the Bonds;

“Security Deed” means the fixed and floating charge security document dated the same date as the Trust Deed and made between the Company and the Trustee (as modified and/or supplemented and/or restated from time to time) securing the assets of the Company in favour of the Trustee as described therein;

“Taxes” has the meaning given to it in Condition 10.1 (Withholding);

“Term of the Bonds” means, in respect of a Tranche, the period commencing on the relevant Applicable Issue Date and ending on the corresponding Maturity Date; and

“Tranche” means Bonds ranking pari passu and having a common Maturity Date and the same Applicable Issue Date, so that Bonds with different Applicable Issue Dates shall be designated as different Tranches by reference to their respective Applicable Issue Dates, but so that all “Tranches” together shall constitute a single series of bonds.

2. FORM, DENOMINATION AND TRANSFER

- 2.1.

The Bonds shall be issued in registered form, in the denomination of £5,000 per unit with a minimum aggregate subscription of £5,000 per investor
- 2.2.

The Bonds shall be held by, and issued to, Registered Bondholders in certified form. The person(s) in whose name(s) any Bonds are registered in the register (the “Register”) relating to the Bonds maintained by the Company will (in the absence of manifest error) be treated at all times for all purposes (including the purpose of making payments, whether or not any such payments are overdue) as the absolute owner thereof.
- 2.3.

The Bonds are transferable in integral multiples of £5,000 by transfer by instrument in writing in common form or in such form as the Company may approve from time to time.
- 2.4.

Each instrument of transfer shall be signed by the transferor, and the transferor shall be deemed to remain the owner of the Bonds until the name of the transferee is entered in the Register in respect of such Bonds.
- 2.5.

Each instrument of transfer shall be lodged at the registered office of the Company for the time being, and shall be accompanied by the certificate(s) for the Bonds to be transferred and any other evidence that the Company may require to prove the title of the transferor or his right to transfer the Bonds (and, if such instrument is executed by some other person on his behalf, the authority of that person to do so). All instruments of transfer that are registered may be retained by the Company.
- 2.6.

If any certificate is worn out or defaced then, on production of it to the Company, it may cancel it and may issue a fresh certificate in lieu. If any certificate is lost or destroyed it may be replaced on such terms (if any) as to evidence and indemnity as the Company may require. An entry recording the issue of the new certificate and indemnity (if any) shall be made in the Register.

3. STATUS

The Bonds are direct limited recourse obligations of the Company, are secured in the manner set out in Condition 4 (Security), and rank pari passu without preference or priority amongst themselves.

4. SECURITY

- 4.1.

The Company’s obligations in respect of the Bonds are secured pursuant to the Security Deed by way of charge and assignment in respect of the Charged Assets in favour of the Trustee for the benefit of itself and the Registered Bondholders, as more fully described in the Security Deed.
- 4.2.

The security created by the Security Deed and/or pursuant to any deed or document supplemental thereto is referred to herein as the

5. COMPANY SECURITY

- 5.1.

The Company Security shall become enforceable upon the delivery of an Acceleration Notice (as defined in Condition 12).

6. ORDER OF PAYMENTS

Following the enforcement of the Company Security, the net proceeds of enforcement of the Company Security shall be applied in the following order of priority:

- a)

first, in payment or satisfaction of the fees, costs, charges, expenses and liabilities incurred by the Trustee or any Appointee in preparing and executing the trusts under the Trust Deed or the Security Deed (or any of them);
- b)

second, in payment or satisfaction of the fees, costs, charges, expenses and liabilities incurred by the Trustee or any Appointee in realising any Company Security and the Trustee’s and any such Appointee’s remuneration including (without limitation) under clause 17 of the Trust Deed and under clause 17 of either Security Deed;
- c)

third, in payment, on a pro rata and pari passu basis, to the Registered Bondholders of any interest due and payable in respect of Bonds;
- d)

fourth, in payment, on a pro rata and pari passu basis, to the Registered Bondholders of any principal due and payable in respect of the Bonds; and
- e)

lastly, in payment of any other unpaid fees and expenses of the Company (in each case insofar as they relate to the Bonds) on a pro rata and pari passu basis.

7. COVENANTS

7.1. General Covenants

In addition to the covenants of the Company set out in the Trust Deed and the Security Deed, for so long as any of the Bonds remain outstanding, the Company covenants that it will not without the consent in writing of the Trustee engage in any activity, or do anything other than:

- 7.1.1.

carry out the business of a company which has as its purpose raising finance and using the proceeds for the acquisition of land for development purposes in the residential, holiday and leisure industries; and
- 7.1.2.

perform any act incidental to or necessary in connection with (a) above. The Company also covenants, for so long as any of the Bonds remains outstanding, not to create or permit to subsist, over any of the security constituted by or created pursuant to the Security Deed, any mortgage or charge or any other security interest ranking in priority to the security created by or pursuant to the Security Deed, save as expressly permitted by the Security Deed.

7.1.3. Information Covenants

For so long as any of the Bonds remain outstanding, the Company shall:

- 7.1.3.1. Send (by conventional postal transmission in printed form or electronic means, as determined by the Company in its sole discretion) to each Registered Bondholder a copy of the annual report of the Company no later than six months after the Company’s fiscal year end; and
- 7.1.3.2. at the request of Registered Bondholders holding not less than 75 per cent in principal amount of the Bonds for the time being outstanding, convene a meeting of the Registered Bondholders to discuss the financial position of the Company, provided, however, that the Company shall not be required to convene any such meeting pursuant to this Condition 6.2(b) more than once in any calendar year. Upon the request of Registered Bondholders to convene any such meeting, as aforesaid, the Company shall notify all Registered Bondholders of the date (which date shall be no more than 21 days following such request), time and place of the meeting in accordance with Condition 13 (Notices). The Company shall act in good faith in addressing any questions regarding its financial position raised at any such meeting, provided, however, that the Company shall not be obliged to disclose any information which it, in its absolute discretion, considers to be of a confidential nature. For the avoidance of doubt, the provisions of this Condition 6.2(b) are in addition to the meetings provisions set out in Condition 14 (Meetings of Registered Bondholders, Modification and Waiver).

7.2. INTEREST

7.2.1. Interest Rate

The Bonds will bear interest from (and including) the Applicable Issue Date up to and including the applicable Maturity Date at an annual rate of 8.25 to 12 per cent, interest being payable monthly or bi-annually in arrears on each Interest Payment date (in accordance with Condition 8.1), as calculated on the basis set out in Condition.

7.2.2. Calculation of Interest

Interest shall be calculated on the basis of the following periods:

- 7.2.2.1. in relation to the first Interest Payment Date of any Tranche
 - in respect of which the Applicable Issue Date falls within the period of 7 calendar days prior to the Interest Record Date first occurring after such issue date, the period of interest shall accrue from and including the Applicable Issue Date for such Tranche up to but excluding the second Interest Record Date occurring after such Applicable Issue Date; or
- 7.2.2.2. in relation to the first Interest Payment Date of any Tranche in respect of which the Applicable Issue Date falls more than 7 calendar days prior to the Interest Record Date first occurring after such issue date, the period of interest shall accrue from and including the Applicable Issue Date for such Tranche up to but excluding the Interest Record Date which first occurs after such Applicable Issue Date, and
- 7.2.2.3. in relation to each of the successive Interest Payment Dates applicable to all and any Tranches, the relevant interest period shall accrue from and including the immediately preceding Interest Record Date up to but excluding the current Interest Record Date. Subject to and in accordance with the provisions of Condition 7.1, Interest shall be calculated on the basis of the actual number of days elapsed in the relevant interest period and a 365 day year.

7.2.3. Interest Accrual

Each of the Bonds will cease to bear interest from (and including) its due date for redemption, unless payment of the principal in respect of the Bonds is improperly withheld or refused or unless default is otherwise made in respect of payment, in which event interest shall continue to accrue as provided in this Condition 7.

7.2.4. Calculation of Broken Interest

When interest is required to be calculated in respect of a period that ends prior to an Interest Record Date, it shall be calculated on the basis of (a) the actual number of days in the period from (and including) the date from which interest begins to accrue (the “Accrual Date”) to (but excluding) the date on which it falls due divided by (b) the actual number of days from and including the Accrual Date to (but excluding) the next following Interest Record Date multiplied by 12, and multiplying this fraction by the rate of interest specified in Condition 7.1 (Interest Rate) and the relevant principal amount of the Bonds.

7.3. PAYMENTS

7.3.1. Payments in respect of the Bonds

Payments of principal in respect of each of the Bonds will be made by the Company to the relevant Registered Bondholder appearing on the Register of Bonds on the applicable Maturity Date.

Subject to Conditions 7.2 and 7.3, payments of interest in respect of each and any of the Bonds will be made within seven calendar days after the applicable Interest Record Date by the Company to the relevant Registered Bondholder appearing on the Register on the Interest Record Date.

7.3.2. Method of Payment

Payments of principal and interest in respect of each of the Bonds will be made by the Company by credit in Sterling to the account maintained by the relevant Registered Bondholder as at the Interest Record Date.

7.3.3. Payments subject to Applicable Laws

Payments in respect of principal and interest on the Bonds is subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment.

7.3.4. Payment Day

If the date for payment of any amount in respect of any Bonds is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

7.4. REDEMPTION AND PURCHASE

7.4.1. Redemption at Maturity

Unless previously redeemed or purchased and cancelled as specified in these Conditions, the Bonds will be redeemed by the Company at their principal amount (together with any accrued interest) on the applicable Maturity Date, payable to those persons registered as the holders of such Bonds on the Maturity Date.

7.4.2. Early redemption by the Company

Subject to the prior written approval of the Trustee on behalf of the Registered Bondholders, the Company may at any time after 6 months from the date of the Trust Deed, by giving the Trustee and the relevant Registered Bondholders not less than 21 calendar days’ notice in accordance with Condition 13 (a

“Company Redemption Notice”), redeem from such Registered Bondholders, all or any amount of the Bonds then in issue and outstanding, as stated in such Company Redemption Notice (subject to such amount being a multiple of £5,000) together with all accrued interest thereon on the date specified in such Company Redemption Notice. The service of a Company Redemption Notice under this Condition 9.2 shall be irrevocable.

7.4.3. Purchase of Bonds by the Company

Any Registered Bondholder may at any time after 6 months from the date of the Trust Deed, by serving written notice on the Company in accordance with Condition 13, request the Company to purchase some or all of the Bonds registered in the name of the Registered Bondholder. The Company may, at its sole discretion, purchase some or all of the Bonds which the relevant Registered Bondholder wishes to sell (as specified in the written notice) on such terms and conditions as shall be agreed between the relevant Registered Bondholder and the directors of the Company.

7.4.4. Any Bonds sold and purchased pursuant to Condition 9.3 may be either cancelled or, alternatively, the Company may, in its sole discretion, hold any such Bonds in treasury and re-issue such Bonds on such terms and conditions, and to such persons, as the Company may (in its absolute discretion) determine.

7.4.5. Calculations

Each calculation, by or on behalf of the Company, for the purposes of this Condition 9 shall, in the absence of manifest error, be final and binding on all persons. If the Company does not at any time for any reason calculate amounts referred to in this Condition 9, such amounts may be calculated by the Trustee, or an agent appointed (at the expense of the Company) by the Trustee for this purpose (without any liability accruing to the Trustee as a result) based on information supplied to it by the Company, and each such calculation shall be deemed to have been made by the Company.

7.4.6. Without prejudice to the Company’s right to hold any purchased Bonds in treasury under Condition 9.3, all Bonds redeemed, prepaid or otherwise repaid by the Company pursuant to these Conditions shall be cancelled and the Company shall not reissue the same.

7.5. TAXATION

7.5.1. Withholding

To the extent required by law, payments of principal and interest in respect of the Bonds by or on behalf of the Company shall be made subject to withholding and/or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“Taxes”) imposed or levied by or on behalf of the United Kingdom or any political subdivision or authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or authority thereof or therein having power to tax to which the Company becomes subject in respect of payments made by it of principal and interest on the Bonds.

7.5.2. No obligation to pay additional amounts

Neither the Company, the Trustee nor the Paying Agent shall be obliged to pay any additional amounts to the Registered Bondholders as a result of any withholding or deduction made in accordance with Condition 10.1 (Withholding).

7.6. PRESCRIPTION

Claims in respect of the Bonds will become void unless made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date therefor.

7.7. EVENTS OF DEFAULT AND ENFORCEMENT

7.7.1. Events of Default

The Trustee at its discretion may, and if so requested in writing by the holders of at least 75 per cent in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution (subject in each case to being secured and/or indemnified to its satisfaction) shall (but in the case of the happening of any of the events described in paragraphs 12.1(b) and (i) below, only if the Trustee shall have certified in writing to the Company that such event is, in its reasonable opinion, materially prejudicial to the interests of the Registered Bondholders), give notice in writing (an “Acceleration Notice”) to the Company that the Bonds are, and the Bonds shall thereupon immediately become, due and repayable at their principal amount together with accrued interest as provided in the Trust Deed if any of the following events (each, an “Event of Default”) shall occur:

- 7.7.1.1. if default is made in the payment of any principal or interest due in respect of the Bonds or any of them and the default continues for a period of fourteen (14) calendar days in the case of principal and fourteen (14) calendar days in the case of interest; or
- 7.7.1.1.1. if the Company fails in any material respect to perform or observe any of its other obligations under, or in respect of, these Conditions, the Trust Deed or the Security Deed or if any representation given by the Company to the Trustee in the Trust Deed or the Security Deed is found to be materially untrue, incorrect or misleading as at the time it was given and (except in any case where, in the reasonable opinion of the Trustee, the failure or inaccuracy is incapable of remedy) the failure or inaccuracy continues for a period of thirty (30) calendar days next following the service by the Trustee on the Company of notice requiring the same to be remedied; or
- 7.7.1.2. (A) any other present or future indebtedness of the Company for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (B) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (C) the Company fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred equals or exceeds £1,000,000 or its equivalent in other currencies (as reasonably determined by the Trustee); or
- 7.7.1.2.1. if any order is made by any competent court or resolution passed for the winding-up or dissolution of the Company save for the purposes of reorganisation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution; or
- 7.7.1.2.2. if the Company ceases or threatens to cease to carry on the whole or, in the opinion of the Trustee, a substantial part of its business, save for the purposes of reorganisation on terms previously approved in writing by the Trustee or by an Extraordinary Resolution; or

- 7.7.1.2.3.if the Company stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or
- 7.7.1.2.4.if (A) proceedings are initiated against the Company under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, liquidator, manager, administrator or other similar official, or an administrative or other receiver, liquidator, manager, administrator or other similar official is appointed, in relation to the Company or, as the case may be, in relation to all or substantially all of the Company’s undertaking or assets, or an encumbrancer takes possession of all or substantially all of the Company’s undertaking or assets, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against all or substantially all of the Company’s undertaking or assets and (B) in any case (other than the appointment of an administrator) is not discharged within fourteen (14) calendar days; or
- 7.7.1.2.5.if the Company initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium); or
- 7.7.1.2.6.if the Company makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors); or
- 7.7.1.2.7. if it is or will become unlawful for the Company to perform or comply with any of its obligations under or in respect of the Bonds, the Trust Deed or the Security Deed.

7.7.2. Enforcement

The Trustee may at any time, at its discretion and without notice, take such proceedings and/or other steps or action (including lodging an appeal in any proceedings) against or in relation to the Company (or any of its subsidiaries) as it may think fit to enforce the provisions of the Trust Deed, the Security Deed or otherwise, including (without limitation) the right to require the Company to take steps to enforce any security it may hold from time to time in respect of or in connection with the assets and undertaking of any of its subsidiaries, but the Trustee shall not be bound to take any such proceedings or other steps or action in relation to the Trust Deed, the Security Deed or otherwise unless (i) it shall have been so directed by an Extraordinary Resolution or so requested in writing by the holders of at least 75 per cent in principal amount of the Bonds then outstanding and (ii) it shall have been secured and/ or indemnified to its satisfaction.

No Registered Bondholder shall be entitled to (i) take any steps or action against the Company to enforce the performance of any of the provisions of the Trust Deed or the Security Deed or (ii) take any other action (including lodging an appeal in any proceedings) in respect of or concerning the Company, in each case unless the Trustee, having become bound so to take any such steps, actions or proceedings, fails so to do within a reasonable period and the failure shall be continuing.

7.8. NOTICES

7.8.1. To Registered Bondholders

Notices to be given to Registered Bondholders regarding any Bonds will be deemed to be validly given if sent by first class pre-paid letters to the Registered Bondholders at their addresses entered in the Register or by means of electronic communication if a Registered Bondholder has provided electronic communication details. Any such notices will be deemed to have been given on the date two days after the date of despatch of such letters or on the same day in the case of electronic transmission. The Company shall also ensure that notices are duly published in a manner which complies with the rules of any Bonds exchange or other relevant authority on which the Bonds is for the time being listed or by which they have been admitted to trading. If, in the opinion of the Trustee, publication as provided above is not practicable, a notice shall be validly given if published in a leading daily English language newspaper with general circulation in Europe.

7.8.2. From Registered Bondholders

Notices to be given by any Registered Bondholder shall be in writing and will be deemed to be validly given if sent by first class pre-paid letters to the then-current registered office of the Registrar.

7.9. MEETINGS OF REGISTERED BONDHOLDERS, MODIFICATION AND WAIVER

7.9.1. Meetings of Registered Bondholders

The Trust Deed contains provisions for convening meetings of the Registered Bondholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of the provisions of the Trust Deed (including these Conditions) or the Security Deed. Such a meeting may be convened by the Company or the Trustee following an Event of Default, and shall be convened by the Trustee following an Event of Default if so requested in writing by Registered Bondholders holding not less than 10 per cent in principal amount of the Bonds for the time being outstanding (other than in respect of a meeting requested by Registered Bondholders to discuss the financial position of the Company, which shall be requested in accordance with, and shall be subject to, Condition 6.2(b) (Information Covenants)).

The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing in aggregate at least 75 per cent in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting one or more persons holding or representing in aggregate at least 75 per cent in principal amount of the Bonds for the time being outstanding, except that at any meeting the business of which includes a Reserved Matter, the quorum shall be one or more persons holding or representing in aggregate not less than 75 per cent in principal amount of the Bonds for the time being outstanding, or at any such adjourned meeting one or more persons holding or representing in aggregate not less than 75 per cent in principal amount of the Bonds for the time being outstanding.

The Trust Deed defines “Extraordinary Resolution” as a resolution expressed as such and passed at a duly convened meeting of the Registered Bondholders by a majority consisting of not less than 75 per cent of the persons voting at such meeting upon a show of hands or if a poll is duly demanded by a majority consisting of not less than 75 per cent of the votes given on such poll. An Extraordinary Resolution passed by the Registered Bondholders is binding on all the Registered Bondholders, whether or not they are present at any meeting and whether or not they voted on the resolution.

- 7.9.2. A resolution in writing signed by or on behalf of Registered Bondholders holding not less than 75 per cent in principal amount of the Bonds for the time being outstanding or a consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of Registered Bondholders holding not less than 75 per cent in principal amount of the Bonds for the time being outstanding, shall, in each case, be as valid and effective as an Extraordinary Resolution passed at a meeting of the Registered Bondholders.

- 7.9.3. Modification, Waiver, Authorisation and Determination
The Trust Deed provides that the Trustee may agree, without the consent of the Registered Bondholders, to any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Trust Deed (including these Conditions), the Security Deeds or any other agreement relating to the Bonds to which the Trustee is a party, or determine, without any such consent as aforesaid, that any Potential Event of Default or Event of Default shall not be treated as such, where, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Registered Bondholders so to do or may agree, without any such consent as aforesaid, to any modification which, in the opinion of the Trustee, is of a formal, minor or technical nature or necessary to correct a manifest error or an error which is, in the opinion of the Trustee, proven. Any such modification, waiver, authorisation or determination shall be in writing, shall be binding on the Registered Bondholders and shall be notified to the Registered Bondholders in accordance with the notice provisions of the Security Deed as soon as practicable thereafter (unless the Trustee determines such notice is unnecessary).

- 7.9.4. Trustee to have regard to interests of Registered Bondholders as a class
In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall: (i) have regard to the general interests of the Registered Bondholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Registered Bondholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Registered Bondholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub division thereof and the Trustee shall not be entitled to require, nor shall any Registered Bondholder be entitled to claim, from the Company, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Registered Bondholders and (ii) shall not be required to have regard to the interests of any other secured parties.

7.10. INDEMNIFICATION OF THE TRUSTEE AND TRUSTEE CONTRACTING WITH THE COMPANY

The Trust Deed and the Security Deed contain provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless secured and/or indemnified to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, inter alia, (a) to enter into or be interested in any contract or financial or other transaction or arrangement

with the Company or any subsidiary and (b) to accept or hold the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to the Company or any subsidiary.

The Trustee shall not be bound to take any step or action in connection with the Trust Deed, the Security Deed or the Bonds or obligations arising pursuant thereto, where it is not satisfied that it is indemnified and/or secured against all its liabilities and costs incurred in connection with such step or action and may demand, prior to taking any such step or action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so as to indemnify it.

The Trustee shall have no responsibility for the validity, sufficiency or enforceability of the Company Security. The Trustee shall not be responsible for monitoring the compliance by the Paying Agent with its obligations under the Paying Agency Agreement.

7.11. FURTHER BONDS

The Trust Deed provides that the Company has the power, without the consent of the Registered Bondholders, to create and issue further series of bonds ranking pari passu or junior in point of security with the Bonds and carrying such rights and forming such class of bonds or upon such terms as the Company may determine at the time of their issue. The Company is not permitted to issue any further bonds that are expressed to be and rank senior in point of security to the Bonds.

7.12. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person other than the Trustee shall have any right to enforce these Conditions under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

7.13. GOVERNING LAW

- 7.13.1. These Conditions and any dispute or claim arising out of or in connection with them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England. The parties to the Trust Deed irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with these Conditions or their subject matter of formation (including non-contractual disputes or claims).

Appendix II

Certifications Statements

Investor Certification

Please complete the appropriate certificate that applies to you.

A High Net Worth Investor Statement

(pursuant to Article 48 of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005)

I declare that I am a certified high net worth individual for the purposes of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.

I understand that this means:

- a. I can receive financial promotion that may not have been approved by a person authorised by the Financial Services Authority;
- b. The content of such financial promotions may not conform to rules issued by the Financial Services Authority;
- c. By signing this statement I may lose significant rights;
- d. I may have no right to complain to either of the following:
 - (i) The Financial Services Authority; or
 - (ii) The Financial Ombudsman Scheme;
- e. I may have no right to seek compensation from the Financial Services Compensation Scheme.

I am a certified high net worth individual because at least one of the following applies:

- a. I had, during the financial year immediately preceding the date below, an annual income to the value of £100,000 or more;
- b. I held, throughout the financial year immediately preceding, net assets to the value of £250,000 or more. Net assets for these purposes do not include:
 - (i) the property which is your primary residence or any money raised through a loan secured on that property; or
 - (ii) any rights of yours under a qualifying contract of insurance; or
 - (iii) any benefits (in the form of pensions or otherwise) which are payable on the termination of your service or on your death or retirement and to which you are (or your dependants are), or may be, entitled.

I accept that I can lose my property and other assets from making investment decisions based on financial promotions.

I am aware that it is open to me to seek advice from an authorised person who specialised in advising on investments.

Signature: Date:

Print Name:

Investor Certification

Please complete the appropriate certificate that applies to you.

Sophisticated Investor

(pursuant to Article 50A of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005)

- To qualify as a Sophisticated Investor, the following must apply:
- You have a written certificate signed within the last 36 months by an authorised person confirming you have been assessed as sufficiently knowledgeable to understand the risks associated with engaging in investment activity in non-mainstreamed pooled investments and
 - You have signed, within the period of twelve months ending with the day on which the communication is made, a statement in the following terms:

“SOPHISTICATED INVESTOR STATEMENT”
I make this statement so that I am able to receive promotions which are exempt from the restrictions on financial promotion in the Financial Services and Markets Act 2000. The exemption relates to certified sophisticated investors and I declare that I qualify as such in relation to investments in non-mainstreamed pooled investments. I accept that the contents of promotions and other material that I receive may not have approved by an authorised person and that their content may not therefore be subject to controls which would apply if the promotion were made or approved by an authorised person. I am aware that it is open to me to seek advice from an authorised person who specialises in advising on non-mainstream pooled investments.

I accept that I can lose my property and other assets from making investment decisions based on financial promotions.

I am aware that it is open to me to seek advice from an authorised person who specialised in advising on investments.

Signature: Date:

Print Name:

Investor Certification

Please complete the appropriate certificate that applies to you.

A Self-Certified Sophisticated Investor

(pursuant to Article 50A of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005)

I declare that I am a self-certified sophisticated investor for the purposes of the Financial Services and Market Act (Financial Promotion) Order 2005.

I understand that this means:

- a. I can receive promotional communications made by a person who is authorised by the Financial Conduct Authority;
- b. The content of such financial promotions may not conform to rules by the Financial Services Authority;
- c. **By signing this statement I may lose significant rights;**
- d. I may have no right to complain to either of the following:
 - (i) The Financial Services Authority; or
 - (ii) The Financial Ombudsman Scheme;
- e. I may have no right to seek compensation from the Financial Services Compensation Scheme.

I am a self-certified sophisticated investor because **at least one of the following applies:**

- a. I am a member of a network or syndicate of business angels and have been so for at least the last six months prior to the date below;
- b. I have made more than one investment in an unlisted company, in the two years prior to the date below;
- c. I am working, or have worked in the two years prior t the date below, in a professional capacity in the private equity sector, or in the provision of finance for small and medium enterprises;
- d. I am currently, or have been in the two years prior, a director of a company with an annual turnover of at least £1 million.

I accept that I can lose my property and other assets from making investment decisions based on financial promotions.

I am aware that it is open to me to seek advice from an authorised person who specialised in advising on investments.

Signature: Date:

Print Name:



Contact

The Information Memorandum document and application form are available via our Bond Managers

London Court Limited

E-mail: info@londoncourt.com

Phone: 0207 112 9217

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Company number: 02333891

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