

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 (“FSMA”) if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.**

If you sell or have sold or otherwise transferred all of your holding of ordinary shares in Pollen Street Plc (the “**Ordinary Shares**”), please forward this document (but not the accompanying Forms of Proxy) as soon as possible to the purchaser or the transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or the transferee. This document and the Forms of Proxy must not be forwarded, distributed or transmitted in, into or from any jurisdiction where to do so would violate the laws of that jurisdiction.

The release, publication or distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and, therefore, any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable requirements. Failure to comply with any such restrictions may constitute a violation of the securities laws of any jurisdiction. This document has been prepared to comply with requirements of English law, the Listing Rules and the rules of the London Stock Exchange and information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside England.

---

## **POLLEN STREET PLC (“EXISTING HOLDCO”)**

*(Incorporated and Registered in England and Wales with company number 09899024  
and registered as an investment company under section 833 of the Companies Act 2006)*

### **PROPOSED INSERTION OF A NEW HOLDING COMPANY, POLLEN STREET GROUP LIMITED (“NEW HOLDCO”), BY MEANS OF A SCHEME OF ARRANGEMENT UNDER PART 26 OF THE COMPANIES ACT 2006**

#### **PROPOSED CHANGE OF LISTING CATEGORY**

#### **PROPOSED REDUCTION OF SHARE PREMIUM RESERVE**

**and**

#### **NOTICE OF COURT MEETING and NOTICE OF GENERAL MEETING**

---

This document is not a prospectus but a shareholder circular and it does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, otherwise dispose of or issue any securities or the solicitation of any offer to purchase, acquire, subscribe for, sell or otherwise dispose of, any security, including the Ordinary Shares, the New Scheme Shares or any other securities of Existing Holdco or New Holdco.

This document has been published solely in connection with the Scheme. Any person considering Admission, including the risks to Admission and/or the New Scheme Shares, is directed to the information to be contained in the prospectus.

This document and the information incorporated by reference into this document, together with the accompanying Forms of Proxy, should be read as a whole. Your attention is drawn to the letter from the Chair which is set out in Part II (*Letter from the Chair of Existing Holdco*), which contains the unanimous recommendation from the Board that you vote in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting.

**Notice convening the Court Meeting to be held at Slaughter and May, One Bunhill Row, London EC1Y 8YY, United Kingdom at 10.30 a.m. on 11 October 2023 is set out in Part IX (*Notice of Court Meeting*). You are strongly encouraged to complete, sign and return the BLUE Form of Proxy that accompanies this document (or appoint the Chair of the Court Meeting as proxy, electronically, as referred to in this document) in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by Existing Holdco’s Registrar not later than 10.30 a.m. on 9 October 2023 (or, if the Court Meeting is adjourned, not later than 48 hours before the time appointed for the adjourned meeting). If the BLUE Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to [externalproxyqueries@computershare.co.uk](mailto:externalproxyqueries@computershare.co.uk) any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof. Any Form of Proxy sent to this email address before 10.30 a.m. on 9 October 2023 may be discounted as invalid. If you hold Ordinary Shares in CREST, you may appoint the Chair of the Court Meeting as proxy through the CREST electronic proxy appointment service by completing and transmitting a CREST proxy instruction to Existing Holdco’s Registrar (under CREST participant ID 3RA50), so that it is received no later than 10.30 a.m. on 9 October 2023. If you would like to submit your proxy vote electronically, you can do so by visiting [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy). You will need to enter the Control Number, Shareholder Reference Number and PIN printed on the BLUE Form of Proxy and follow the online instructions. The deadline for receipt of electronic proxies is 10.30 a.m. on 9 October 2023.**

**Notice convening the General Meeting to be held at Slaughter and May, One Bunhill Row, London EC1Y 8YY, United Kingdom at 10.45 a.m. on 11 October 2023 is set out at Part VIII (*Notice of General Meeting*). You are strongly encouraged to complete, sign and return the WHITE Form of Proxy that accompanies this document (or appoint the Chair of the General Meeting as proxy, electronically, as referred to in this document) in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by Existing Holdco's Registrar not later than 10.45 a.m. on 9 October 2023 (or, if the General Meeting is adjourned, not later than 48 hours before the time appointed for the adjourned meeting). If the WHITE Form of Proxy is not lodged by the relevant time, it will be invalid. If you hold Ordinary Shares in CREST, you may appoint the Chair of the General Meeting as proxy through the CREST electronic proxy appointment service by completing and transmitting a CREST proxy instruction to Existing Holdco's Registrar (under CREST participant ID 3RA50), so that it is received no later than 10.45 a.m. on 9 October 2023. If you would like to submit your proxy vote electronically, you can do so by visiting [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy). You will need to enter the Control Number, Shareholder Reference Number and PIN printed on the WHITE Form of Proxy and follow the online instructions. The deadline for receipt of electronic proxies is 10.45 a.m. on 9 October 2023.**

The completion and return of a Form of Proxy or using the electronic proxy appointment service will not prevent Shareholders from attending and voting in person at the Court Meeting or General Meeting, or any adjournment thereof, if they so wish and are so entitled.

Further details of the action to be taken by holders of Ordinary Shares in respect of the Court Meeting and General Meeting are set out on pages 5 to 7 of this document.

Liberum Capital Limited ("**Liberum**" or the "**Sponsor**"), which is authorised and regulated by the FCA in the United Kingdom, is acting as sponsor for Pollen Street plc and will not be responsible to anyone other than Pollen Street plc for providing the protections afforded to the Sponsor's clients nor for giving advice in relation to any arrangement referred to, or information contained in, this Circular. Neither the Sponsor nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Liberum in connection with this Circular, any statement contained herein or otherwise. Nothing in this paragraph shall serve to exclude or limit any responsibilities Liberum may have under FSMA or the regulatory regime established thereunder.

Capitalised terms have the meanings ascribed to them in the *Definitions* section of this document.

**THE CONTENTS OF THIS DOCUMENT OR ANY SUBSEQUENT COMMUNICATION FROM EXISTING HOLDCO OR ITS RESPECTIVE AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS ARE NOT TO BE CONSTRUED AS LEGAL, FINANCIAL OR TAX ADVICE.**

A copy of this document, together with all information incorporated into this document by reference to another source, will be made available on the website of Existing Holdco at [www.pollenstreetgroup.com/shareholders](http://www.pollenstreetgroup.com/shareholders) from the date on which this document is published. For the avoidance of doubt, the contents of this website are not incorporated into and do not form part of this document.

This document is dated 18 September 2023.

## CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS	4
PART I ACTION TO BE TAKEN	5
PART II LETTER FROM THE CHAIR OF EXISTING HOLDCO	8
PART III EXPLANATION OF THE SCHEME AND ITS EFFECTS	14
PART IV ADDITIONAL INFORMATION	24
PART V THE SCHEME OF ARRANGEMENT	28
PART VI TAXATION	33
PART VII HISTORICAL FINANCIAL INFORMATION	36
PART VIII UNAUDITED PRO FORMA FINANCIAL INFORMATION	78
PART IX NOTICE OF COURT MEETING	83
PART X NOTICE OF GENERAL MEETING	85
PART XI INFORMATION INCORPORATED BY REFERENCE	90
DEFINITIONS	91

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

*The times and dates set out in the timetable below and throughout this document that fall after the date of publication of this document are based on the current expectations of Existing Holdco and are subject to change. The times and dates are indicative only and will depend, among other things, on the date upon which the Court sanctions the Scheme. If the scheduled dates of the Court Meeting and/or the General Meeting change, the revised dates and/or times will be notified to Shareholders by an announcement made by Existing Holdco through a Regulatory Information Service (as defined in the Listing Rules). All times shown are London times unless otherwise stated.*

<i>Principal Event</i>	<i>Date and Time (2023)</i>
Publication of this document	18 September 2023
Latest time for receipt of Forms of Proxy/CREST/ Electronic proxy instructions for the Court Meeting	10.30 a.m. on 9 October 2023 <sup>(1)</sup>
Latest time for receipt of Forms of Proxy/CREST/ Electronic proxy instructions for the General Meeting	10.45 a.m. on 9 October 2023 <sup>(2)</sup>
Voting Record Time for the Meetings	6.00 p.m. on 9 October 2023 <sup>(3)</sup>
<b>Court Meeting</b>	10.30 a.m. on 11 October 2023
<b>General meeting</b>	10.45 a.m. on 11 October 2023 <sup>(4)</sup>
Court Hearing to sanction the Scheme	Q1 2024
Last day of dealings in Ordinary Shares	Q1 2024
<b>Scheme Record Time</b>	Q1 2024
<b>Scheme Effective Date</b>	Q1 2024
Delisting of the Ordinary Shares, Admission and commencement of dealings in New Scheme Shares on the London Stock Exchange	Q1 2024
Crediting of New Scheme Shares to CREST accounts	Q1 2024
Dispatch of share certificates in respect of New Scheme Shares which are allotted and issued pursuant to the Scheme	Within 10 Business Days of the Scheme Effective Date

- (1) It is requested that Blue Forms of Proxy for the Court Meeting be lodged not later than 48 hours prior to the time appointed for the Court Meeting or, if the Court Meeting is adjourned, not later than 48 hours prior to the time fixed for the adjourned Court Meeting. If the Blue Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to [externalproxyqueries@computershare.co.uk](mailto:externalproxyqueries@computershare.co.uk) any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof. Any Form of Proxy sent to this email address before 10.30 a.m. on 9 October 2023 may be discounted as invalid.
- (2) To be valid, the White Forms of Proxy for the General Meeting must be lodged not later than 10.45 a.m. on 9 October 2023 or, if the General Meeting is adjourned, not later than 48 hours prior to the time fixed for the adjourned General Meeting.
- (3) If either the Court Meeting or General Meeting is adjourned then the Voting Record Time for the relevant adjourned meeting will be 6.00 p.m. on the day which is two Business Days prior to the date of that adjourned meeting.
- (4) To commence at 10:45 a.m. or, if later, immediately after the conclusion or adjournment of the Court Meeting.

## PART I

### ACTION TO BE TAKEN

**For the reasons set out in this document, the Board unanimously recommends that Shareholders vote in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting, as the Directors have irrevocably undertaken to do in respect of their own beneficial holdings of Ordinary Shares, and that you take the action described below.**

The Court Meeting will be held at Slaughter and May, One Bunhill Row, London EC1Y 8YY, United Kingdom at 10.30 a.m. on 11 October 2023 and the General Meeting will be held at Slaughter and May, One Bunhill Row, London EC1Y 8YY, United Kingdom at 10.45 a.m. on 11 October 2023 (or, in the case of the General Meeting, as soon as the Court Meeting has been concluded or adjourned). The Scheme requires approval of the Shareholders at both of these Meetings.

#### 1. THE DOCUMENTS

Please check that you have received the following with this document:

- a BLUE Form of Proxy for use in respect of the Court Meeting;
- a WHITE Form of Proxy for use in respect of the General Meeting; and
- a reply-paid envelope for use in the United Kingdom only for the return of the Forms of Proxy.

If you have not received all of these documents, please contact the Shareholder Helpline on the number indicated below.

#### 2. VOTING AT THE COURT MEETING AND THE GENERAL MEETING

The Scheme will require approval at the Court Meeting, convened pursuant to an order of the Court, and the passing by the Shareholders of the Resolutions set out in the Notice of the General Meeting. Both of the Meetings have been convened for 11 October 2023 and will be held at Slaughter and May, One Bunhill Row, London EC1Y 8YY, United Kingdom.

Shareholders entitled to attend and vote at the Meetings are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote at the Court Meeting and/or General Meeting. A proxy need not be a Shareholder.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Shareholders. Whether or not you plan to attend the meetings in person, you are strongly urged to complete and return both your Forms of Proxy as soon as possible.**

##### (a) *Sending Forms of Proxy by post or by hand*

Please complete and sign the enclosed Forms of Proxy in accordance with the instructions printed on them and return them, either (i) by post; or (ii) during normal business hours only, by hand, to the Registrar at The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, so as to be received as soon as possible and in any event not later than the relevant time set out below:

BLUE Forms of Proxy for the Court Meeting	10.30 a.m. (London time) on 9 October 2023
WHITE Forms of Proxy for the General Meeting	10.45 a.m. (London time) on 9 October 2023

or, if in either case the relevant Meeting is adjourned, the relevant Form of Proxy should be received not later than 48 hours before the time fixed for the adjourned Meeting.

If the Blue Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to [externalproxyqueries@computershare.co.uk](mailto:externalproxyqueries@computershare.co.uk) any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof. Any Form of Proxy sent to this email address before 10.30 a.m.

on 9 October 2023 may be discounted as invalid. In the case of the General Meeting, the White Form of Proxy must be returned by the time mentioned above, or it will be invalid.

Shareholders are entitled to appoint a proxy in respect of some or all of their Ordinary Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. Shareholders who wish to appoint more than one proxy in respect of their holding of Ordinary Shares should contact the Registrar for further Forms of Proxy.

Completion and return of a Form of Proxy, or the appointment of a proxy electronically using CREST (or any other procedure described below) will not prevent you from attending, speaking and voting in person at either the Court Meeting or the General Meeting, or any adjournment thereof, if you wish and are entitled to do so.

**(b) Online appointment of proxies**

Shareholders entitled to attend and vote at the Meetings may appoint a proxy electronically by logging on to the following website: [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and entering the Control Number, Shareholder Reference Number and PIN shown on their Forms of Proxy. For an electronic proxy appointment to be valid, the appointment must be received by the Registrar no later than 10.30 a.m. (London time) on 9 October 2023 for the Court Meeting and 10.45 a.m. (London time) on 9 October 2023 for the General Meeting (or, in the case of adjournment(s), not later than 48 hours before the time fixed for the adjourned Meeting(s)). Full details of the procedure to be followed to appoint a proxy electronically are given on the website.

In the case of the Court Meeting only, if you have not appointed a proxy electronically by such time you may: (i) complete the Blue Form of Proxy and hand it to a representative of the Registrar on behalf of the Chair of the Court Meeting, before the start of the Meeting; or (ii) email the Blue Form of Proxy to the Registrar at [externalproxyqueries@computershare.co.uk](mailto:externalproxyqueries@computershare.co.uk) any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof. Any Form of Proxy sent to this email address before 10.30 a.m. on 9 October 2023 may be discounted as invalid.

**(c) Electronic appointment of proxies through CREST**

If you hold Ordinary Shares in uncertificated form through CREST and wish to appoint the Chair of the Meetings (or any adjourned Meeting) as proxy by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy), must, in order to be valid, be transmitted so as to be received by the Registrar not less than 48 hours before the time fixed for the Court Meeting or the General Meeting (or any adjourned Meeting), as applicable. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In connection with this, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in

particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Existing Holdco may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

### **3. SHAREHOLDER HELPLINE**

If you have any questions about this document, the Court Meeting or the General Meeting, or are in any doubt as to how to complete the Forms of Proxy, please contact the Registrar at on 0370 707 4023 or, if telephoning from outside the United Kingdom on +44 (0)370 707 4023, between 8.30 a.m. and 5.30 p.m. (London time), Monday to Friday (excluding English and Welsh public holidays). Calls to the helpline from outside the United Kingdom will be charged at applicable international rates. Calls may be recorded and monitored for security and training purposes. Please note that, for legal reasons, the helpline cannot provide advice on the merits of the Scheme, the Resolutions to be passed at the Court Meeting or the General Meeting or the related proposals, or give any legal, tax or financial advice.

**PART II**

**LETTER FROM THE CHAIR OF EXISTING HOLDCO**

*Registered office:*  
11-12 Hanover Square  
London W1S 1JJ  
United Kingdom

18 September 2023

Dear Shareholder,

**Proposed introduction of New Holdco as a new holding company of the Group  
and related matters**

**1. INTRODUCTION**

Existing Holdco intends to introduce New Holdco as a new holding company above the Group by means of a scheme of arrangement, pursuant to Part 26 of the Companies Act 2006.

The Scheme is between Existing Holdco and the Shareholders and involves the cancellation of the Ordinary Shares in exchange for New Scheme Shares.

The rights attaching to the New Scheme Shares will be substantially the same as those attaching to the Ordinary Shares at the Scheme Effective Date. In short, each Ordinary Share will convert into one New Scheme Share. Following the implementation of the Scheme, Existing Holdco will be wholly owned by New Holdco. Whereas the Ordinary Shares are admitted to the premium listing segment for closed-ended investment funds, application will be made for the admission of the New Scheme Shares to the premium listing segment for commercial companies.

The Scheme is not expected to have any adverse impact on Shareholders and is being undertaken for the reasons set out below.

This document includes full details of the Scheme, together with an explanatory statement and the notices convening the Court Meeting and the General Meeting. It also contains the expected timetable for the Scheme and specifies the necessary actions to be taken by Shareholders. This document, the Forms of Proxy for use in connection with the Court Meeting and the General Meeting are being made available to all Shareholders at no charge to them.

Separate to but in relation to the Scheme, Existing Holdco will effect a cancellation of Existing Holdco's share premium reserve, with the arising sum being credited to its distributable reserves. The purpose of the cancellation is to increase Existing Holdco's distributable reserves in order that it may carry out the reorganisation detailed in section 4 of this Part II (*Letter from the Chair of Existing Holdco*).

In connection with Admission, New Holdco intends to publish a prospectus in Q4 2023.

The Board is unanimously recommending that you vote in favour of the Scheme and all the related proposals. As at the Latest Practicable Date, Existing Holdco has also received irrevocable undertakings from certain Directors, as detailed in section 9 of this Part II (*Letter from Chair of Existing Holdco*).

**2. RATIONALE FOR THE IMPLEMENTATION OF THE SCHEME**

The Scheme and the subsequent reorganisation detailed in section 4 of this Part II (*Letter from the Chair of Existing Holdco*) will result in a revised corporate structure that more accurately reflects the day-to-day operations of the Group. New Holdco will sit above the two sister sub-groups, and there will be a clear and operationally useful distinction between businesses carried on by Existing Holdco and by PSCH.



The Scheme will also allow for majority investments in PRA-supervised banking institutions in a manner that avoids the imposition of consolidated capital requirements at holding company level under the relevant bank capital regulation. The insertion of a non-UK incorporated holding company is a practical long-term measure which Pollen Street undertook to the PRA, subject to obtaining relevant shareholder and regulatory approvals, to implement in order to regularise its existing capped investments in PRA-supervised banking institutions going forward.

### **3. EFFECTS OF THE SCHEME**

#### **3.1 New holding company**

The effects of the implementation of the Scheme will be as follows:

- (A) instead of having its ordinary share capital owned by the Shareholders, Existing Holdco will become a wholly owned subsidiary of New Holdco with effect from the Scheme Effective Date;
- (B) instead of owning the Ordinary Shares, each Shareholder will, from the Scheme Effective Date, own the same number of New Scheme Shares; and
- (C) New Holdco will be the holding company of the Group.

#### **3.2 Board and governance**

The New Holdco Directors will be Robert Sharpe, Jim Coyle, Richard Rowney, Joanne Lake, Lindsey McMurray, Julian Dale and Gustavo Cardenas. As such, the management of New Holdco will be the same as the management of Existing Holdco as at the date of this document. New Holdco will replicate any changes to the composition of the Board and any committees that occur between the date of publication of this document and the Scheme Effective Date.

#### **3.3 Loss of status as an investment trust pursuant to s.1158 CTA 2010**

Pursuant to the Scheme, Existing Holdco will cancel the Ordinary Shares so that it can subsequently issue the Intra-Group Shares to New Holdco. It will be necessary for Existing Holdco to send a cancellation of listing request to the FCA in accordance with Listing Rule 5.3. Upon confirmation from the FCA, the Ordinary Shares will no longer be admitted to trading on a regulated market. At that point, Existing Holdco will not satisfy the relevant condition set out in s.1158 CTA 2010, and so Existing Holdco will no longer qualify as an investment trust.

New Holdco will also not possess investment trust status. As a holding company, it will not meet the first condition in s.1158 CTA 2010 to be an investment trust, as it will not be the case that all (or substantially all) of New Holdco's business will be the investment of its funds in shares, land or other assets with the aim of spreading investment risk and giving its shareholders the benefit of the results of the management of its funds. New Holdco will not satisfy this condition, and so will not be eligible to be an investment trust, on which basis corporation tax would be anticipated to be payable for the financial year ending 31 December 2024.

#### **3.4 Loss of status as an AIF**

Existing Holdco, consistent with its status as an investment fund under Chapter 15 of the Listing Rules, is an AIF that is managed by Pollen Street Capital Limited. Conversely, New Holdco, consistent with its status as a premium listed commercial company, will not constitute an AIF. Furthermore, Existing Holdco will cease being an AIF following implementation of the Scheme. Therefore, following completion of the Scheme, certain regulatory requirements which apply to AIFs, and which therefore apply to Existing Holdco prior to implementation of the Scheme, will not apply with respect to New Holdco or Existing Holdco. For example, New Holdco will not, and Existing Holdco will no longer, be required to appoint a depository to safeguard any assets held by it.

### 3.5 Continuing application of certain agreements entered into by Existing Holdco

#### **Relationship Agreement**

Pursuant to the Existing Relationship Agreement, Lindsey McMurray undertook to, among other things:

- (A) conduct all transactions and arrangements with any member of Existing Holdco at arm's length and on normal commercial terms;
- (B) for the duration of her appointment as a member of the Board, disclose to the Board any matter which could give rise to a potential conflict of interest between herself (and any family member or related trust) and a member of the Group; and
- (C) not exercise her powers to prevent Existing Holdco from being managed in accordance with the principles of good governance and in compliance with the Listing Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and the Corporate Governance Code (each as defined in the Existing Relationship Agreement).

On the Scheme Effective Date, the Existing Relationship Agreement will be terminated. The Existing Relationship Agreement will be replaced by the New Relationship Agreement, to which each of the Concert Parties and New Holdco will be a party. This is because New Holdco is required to comply with Listing Rule 6.5 upon Admission, which states that New Holdco must have entered into a written and legally binding relationship agreement with any controlling shareholders. In this instance, the Concert Parties are together considered a controlling shareholder. See Annex 1 for a detailed summary of the additional regulatory requirements that will be applicable to New Holdco, as a premium listed commercial company, in comparison to those applicable to Existing Holdco, as a premium listed closed-ended investment fund.

#### **Lock-Up Agreements**

On completion of the Combination, Existing Holdco entered into agreements with the Pollen Street Partners and the Pollen Street Senior Managers in order to regulate the conduct of the aforementioned counterparties in relation to the Ordinary Shares issued to them on 30 September 2022 (the "**Lock-Up Agreements**").

With effect from the Scheme Effective Date, New Holdco will enter into new lock-up agreements with the Pollen Street Partners, the Pollen Street Senior Managers and CC Hive on substantially the same terms as the Lock-Up Agreements, save for the adjustment of the duration of the remaining Lock-up Period (as defined in the relevant Lock-Up Agreement) to take into account the period of the Lock-Up Period that will already have expired by the Scheme Effective Date (the "**New Lock-Up Agreements**").

## **4. REORGANISATION**

Separate to but in relation to the Scheme, the share premium reserve of Existing Holdco will be cancelled and extinguished in order to increase the distributable reserves available to Existing Holdco.

Immediately following the implementation of the Scheme on the Scheme Effective Date, Existing Holdco shall distribute the entire issued share capital in PSCH to New Holdco. Following this distribution, New Holdco will sit directly above two sister sub-groups, run as two separate divisions: (i) Existing Holdco and its subsidiaries, operating the on-balance sheet investment activities of the Group; and (ii) PSCH and its subsidiaries, operating the asset management activities carried on by the Group, which focus on managing third-party assets under management.

## **5. ADMISSION TO THE PREMIUM LISTING SEGMENT FOR COMMERCIAL COMPANIES**

### **5.1 Summary**

As outlined in section 3.1 of this Part II (*Letter from Chair of Existing Holdco*), pursuant to the Scheme, Shareholders will cease to hold Ordinary Shares and will instead be issued with New Scheme Shares. Whereas the Ordinary Shares are currently admitted to the premium listing segment for closed-ended investment funds, application will be made for the admission of the New Scheme Shares to the premium listing segment for commercial companies. Otherwise stated, the Shareholders will cease to own shares in a premium listed closed-ended investment fund, and instead become shareholders in a premium listed commercial company.

This will not affect the way in which Shareholders will be able to buy or sell New Scheme Shares (as compared to the way in which they currently buy and sell Ordinary Shares). Annex 1 to this Circular sets out a detailed summary of the differences between the regulatory requirements of premium listed closed-ended investment funds and of premium listed commercial companies.

As a result of the change in listing category, New Holdco will not need to comply with certain rules applicable to premium listed closed-ended investment funds, which would otherwise require it to: (i) invest and manage its assets in a way which is consistent with an object of spreading investment risk, (ii) avoid conducting any trading activity which may be significant in the context of the Group as a whole, (iii) invest in accordance with a published investment policy, and (iv) publish and maintain an investment policy containing information regarding its approach to asset allocation, risk diversification, gearing and maximum exposures. New Holdco will also not be subject to full or partial restrictions around: (i) issuing further shares of the same class as existing shares for cash at a price below the net asset value per share of those shares unless they are first offered *pro rata* to existing holders of shares of that class (subject to other applicable rules regarding pre-emption rights), or (ii) certain operational activities, including cross-financing between businesses within which it invests, operating common treasury functions between itself and any investee companies, 'cross holding' more than 10 per cent. of its assets in listed closed-ended investment funds and making investments through 'feeder funds'.

## 5.2 Rationale

The insertion of New Holdco, which needs to be undertaken for the reasons outlined in section 2 of this Part II (*Letter from the Chair of Existing Holdco*), provides a sensible opportunity to action the change in listing category. In procedural terms, as outlined in section 6 of this Part II (*Letter from Chair of Existing Holdco*), it will necessitate the cancellation of Existing Holdco's current premium listing as a closed-ended investment fund, and require that a new application be made to the FCA for the admission of New Holdco to the main market as a premium listed commercial company. Moreover, the process for implementation of the Scheme gives Shareholders an opportunity to approve the change in listing category, since the Scheme will require their approval (see section 5 of Part III (*Explanation of the Scheme and its Effects*)).

Existing Holdco believes that the change in listing category will directly benefit shareholders in a number of respects. A premium listing as a commercial company will allow New Holdco to access investment from a wider investor base than is currently available to Existing Holdco. In turn, this is expected to drive increased liquidity. A premium listing as a commercial company will also facilitate potential inclusion in a broader range of FTSE indices than are available to closed-ended investment funds.

Moreover, Existing Holdco believes that the point has arrived at which the Group's business is better suited to a premium listing as a commercial company than as a closed-ended investment fund. Whilst Honeycomb's traditional focus on homogenised credit assets has thus far continued to account for the majority of the Group's investment portfolio, Pollen Street is set to play a larger role in dictating the Group's investment activities. Given that Pollen Street's business is not as readily compatible with the definition of an investment company as that of Honeycomb, it will therefore be more appropriate for New Holdco to trade as a commercial company (which would bring it into line with its quoted peer group).

There are two principal reasons why Pollen Street is set to play a larger role in dictating the Group's investment activities. Firstly, it is expected to continue to increase its AuM: it is currently raising a new private equity fund, Private Equity V, which the Directors expect will be Pollen Street's largest fund to date. This is expected to result in Pollen Street's contribution to the overall profitability of the Group increasing. Secondly, Honeycomb's own exposure to Pollen Street Funds is expected to increase. Historically, more than 40 per cent. of Honeycomb's portfolio has repaid each year, and going forward it is expected that Honeycomb will in part re-deploy capital as it is realised by subscribing for allocations in Pollen Street Funds.

Additionally, the structural separation of Honeycomb from Pollen Street (pursuant to the Group reorganisation described in section 4 of this Part II (*Letter from Chair of Existing Holdco*)) will enable the Group to explore certain strategic and commercial changes, which may improve the performance of the Group's business. These changes include: (i) making co-investments in assets alongside Pollen Street Funds; (ii) expanding into new or adjacent fund strategies; and (iii) exploring a wider range of investment opportunities and a more flexible investment strategy. However, implementation of such changes would mean that New Holdco would not be operating as an investment company. Accordingly, Existing Holdco believes that the change in listing category is appropriate in order to ensure New Holdco's ability to implement such changes.

## **6. LISTING OF THE NEW SCHEME SHARES, DELISTING AND SETTLEMENT**

Prior to the Scheme becoming effective, an application will be made by Existing Holdco to the London Stock Exchange to cancel trading in the Ordinary Shares on its main market for listed securities and to the FCA to cancel the listing of the Ordinary Shares from the Official List, in each case to take effect on the Scheme Effective Date. Accordingly, the last time for dealing in the Ordinary Shares on the London Stock Exchange is expected to be the Scheme Effective Date, such that no transfers of Ordinary Shares will be registered after the Scheme Effective Date.

On the Scheme Effective Date, Existing Holdco will become a wholly owned subsidiary of New Holdco and share certificates in respect of the Ordinary Shares will cease to be valid. In addition, entitlements to the Ordinary Shares held within the CREST system will be disabled from the Scheme Effective Date and will expire and be removed soon thereafter.

Prior to the Scheme Effective Date, an application will be made by New Holdco to the London Stock Exchange for the New Scheme Shares to be admitted to trading on its main market for listed securities and to the FCA for the New Scheme Shares to be admitted to the premium listing segment for commercial companies of the Official List.

It is expected that the New Scheme Shares will be admitted to trading on the London Stock Exchange by 8.00 a.m. on the first Business Day following the Scheme Effective Date and dealings for normal settlement in the New Scheme Shares will commence at that time.

## **7. FURTHER INFORMATION**

Further information about the Scheme and its effects is set out in the explanatory statement contained in Part III (*Explanation of the Scheme and its effects*).

## **8. ACTION TO BE TAKEN**

The Scheme is conditional upon a number of matters which are set out in full in the explanatory statement contained in Part III (*Explanation of the Scheme and its effects*), including: (i) approval of the Scheme at the Court Meeting and approval by Shareholders of the Scheme and the Resolutions at the General Meeting; (ii) obtaining customary regulatory approvals; and (iii) the sanction of the Scheme by the Court. Further details of the Court Meeting and the General Meeting are contained in Part III (*Explanation of the Scheme and its effects*), including the action to be taken by Shareholders.

Notices convening the Court Meeting and the General Meeting are set out, respectively, in Part IX (*Notice of the Court Meeting*) and Part X (*Notice of the General Meeting*) of this document.

**In order that the Court can be satisfied that the votes cast fairly represent the views of Shareholders, it is important that as many votes as possible are cast at the Court Meeting.**

Shareholders are therefore strongly encouraged to complete, sign and return the Forms of Proxy, appoint a proxy through the CREST electronic proxy appointment service or submit the proxy vote electronically by visiting [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) (as appropriate) as soon as possible, in each case, appointing the Chair of the Court Meeting as proxy.

**You will find enclosed with this document a BLUE Form of Proxy for use in connection with the Court Meeting and a WHITE Form of Proxy for use in connection with the General Meeting. Whether or not you propose to attend the Court Meeting or the General Meeting in person, you are asked to complete the Forms of Proxy in accordance with the instructions printed thereon and return it to Existing Holdco's Registrar, so as to arrive as soon as possible, but in any event so as to be received by no later than 10.30 a.m. on 9 October 2023.**

## **9. IRREVOCABLE UNDERTAKINGS**

Irrevocable undertakings to vote in favour of the Resolutions proposed at the General Meeting have been obtained from each Director who holds Ordinary Shares in Existing Holdco as at the Latest Practicable Date.

These irrevocable undertakings represent, in aggregate, approximately 18.39 per cent. of the voting rights attributable to Existing Holdco's Ordinary Shares as at the Latest Practicable Date.

<i>Director</i>	<i>Number of Ordinary Shares held</i>	<i>Approximate proportion of voting rights attributable to the Ordinary Shares (%)</i>
Lindsey McMurray	11,582,090	18.04%
Julian Dale	221,281	0.34%
Joanne Lake	2,713	<0.01%
Total	<u>11,806,084</u>	<u>18.39%</u>

## **10. RECOMMENDATION**

The Board considers the introduction of New Holdco as the holding company of the Group and the Scheme to be fair and reasonable and in the best interests of Existing Holdco, the Group and the Shareholders as a whole.

Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Scheme at the Court Meeting and the Scheme and the related proposals at the General Meeting, as the Directors have irrevocably undertaken to do in respect of their own shareholdings totalling 11,806,084 of the Ordinary Shares (representing approximately 18.39 per cent. of the voting rights attributable to Existing Holdco's Ordinary Shares) as at the Latest Practicable Date.

Yours faithfully

**Robert Sharpe**

*Chair*

## PART III

### EXPLANATION OF THE SCHEME AND ITS EFFECTS

(EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006)

#### 1. BACKGROUND TO AND REASONS FOR THE SCHEME AND RELATED PROPOSALS

On 15 February 2022, Existing Holdco (then named Honeycomb Investment Trust plc) announced the proposed acquisition of PSCH in exchange for 29,472,663 new shares in Existing Holdco, representing approximately 45.53 per cent. of the enlarged share capital of Existing Holdco. The Combination was conditional on customary regulatory clearances and shareholder approvals, which were granted, and on 30 September 2022 the Combination completed. Existing Holdco was subsequently renamed Pollen Street Plc.

The Scheme will enable a revised corporate structure that more accurately reflects the day-to-day operations of the Group. Under the revised corporate structure, New Holdco will sit above the two sister sub-groups, and there will be a clear and operationally useful distinction between businesses carried on by Existing Holdco and by PSCH. The Scheme will also allow for majority investments in PRA-supervised banking institutions in a manner that avoids the imposition of consolidated capital requirements at holding company level under relevant bank capital regulation. The insertion of a non-UK incorporated holding company is a practical long-term measure which Pollen Street undertook to the PRA, subject to obtaining relevant shareholder and regulatory approvals, to implement by the end of September 2023 in order to regularise its existing capped investments in PRA-supervised banking institutions going forward.

The Scheme is not expected to have any adverse impact on the Shareholders.

The information in this Part III (*Explanation of the Scheme and its effects*) also explains related proposals to be implemented by the Existing Holdco and New Holdco in connection with the Scheme.

#### 2. PRINCIPAL FEATURES OF THE SCHEME

The principal steps in relation to the Scheme are as follows:

##### 2.1 Cancellation of the Scheme Shares

All of the Scheme Shares will be cancelled and extinguished on the Scheme Effective Date.

##### 2.2 Issue of Intra-Group Shares by Existing Holdco to New Holdco

Following the cancellation of the Scheme Shares, the credit arising in the accounts of Existing Holdco as a result of that cancellation will be capitalised and applied in paying up in full at par such number of Intra-Group Shares as shall be equal to the number (and aggregate nominal value) of the Scheme Shares cancelled.

The Intra-Group Shares will be allotted and issued, credited as fully paid, to New Holdco which will, as a result, become the new holding company of Existing Holdco and of the Pollen Street Group.

##### 2.3 Issue of New Holdco Shares by Existing Holdco to Shareholders

In consideration for the cancellation of the Scheme Shares, the holders of the Scheme Shares will receive, in respect of any Scheme Shares held as at the Scheme Record Time:

**for every one Scheme Share, one New Holdco Share.**

With effect from the Scheme Effective Date, the rights attaching to the New Holdco Shares will be substantially the same as those attaching to Scheme Shares at the Scheme Effective Date. Upon the implementation of the Scheme, a New Holdco Shareholder will have the same proportionate interest in the profits, net assets and dividends of the Group as they currently have as a Shareholder.

## 2.4 Independent Valuation Report

In connection with the allotment of the Intra-Group Shares by Existing Holdco to New Holdco as part of the Scheme, Existing Holdco will be required to obtain an independent valuation report in accordance with the requirements of section 593 of the Companies Act 2006. The independent valuation report is being prepared by the reporting accountants. The independent valuation report will consider the non-cash consideration (being the New Holdco Shares issued by New Holdco to the holders of Scheme Shares) for the allotment of the Intra-Group Shares to New Holdco by Existing Holdco. It will contain the information prescribed in section 596 of the Companies Act 2006 and will be provided to New Holdco prior to the Scheme Effective Date and delivered to the Registrar of Companies along with the return of allotment of the Intra-Group Shares in connection with the Scheme.

## 2.5 Amendments to the Existing Holdco Articles

At the General Meeting, Shareholders will be asked to approve amendments to the Existing Holdco Articles ensuring that: (i) any Ordinary Shares which are issued to any person other than New Holdco or its nominee(s) before the Scheme Record Time are allotted subject to the terms of the Scheme and the holders of such shares will be bound by the Scheme accordingly; and (ii) any Ordinary Shares which are allotted after the Scheme Record Time will be immediately transferred to New Holdco in exchange for the issue or transfer to the relevant allottees of one New Holdco Share for each Ordinary Share transferred. These amendments are necessary because, in some cases, Ordinary Shares may need to be allotted before the Scheme Record Time but the timing of their allotment could mean that they are not classified as Scheme Shares and would therefore be outside of the scope of the Scheme. The amendments will avoid any person other than New Holdco being left holding Ordinary Shares after dealings in such shares have ceased on the London Stock Exchange and will ensure that New Holdco will own the entire issued share capital of Existing Holdco as a result of the Scheme becoming effective.

## 3. DIRECTORS' AND OTHER INTERESTS

As at the Latest Practicable Date, the Board was composed of Robert Sharpe, Lindsey McMurray, Julian Dale, Jim Coyle, Richard Rowney, Joanne Lake and Gustavo Cardenas.

Details of the current interests of the Directors in, and options and awards relating to, Ordinary Shares are set out in section 1 of Part IV (*Additional Information*) of this document.

The effect of the Scheme on the interests of the Directors is set out in section 1 of Part IV (Additional Information) of this document. Save as set out in this document, the effect of the Scheme on the interests of the Directors does not differ from its effect on the like interests of other Shareholders.

## 4. CONDITIONS TO IMPLEMENTATION OF THE SCHEME

The implementation of the Scheme is conditional upon:

- (A) the approval of the Scheme by a majority in number and representing at least seventy-five per cent. (75%) in value of the Ordinary Shares held by Shareholders present and voting, either in person or by proxy, at the Court Meeting (or at any adjournment of such meeting);
- (B) the passing by Existing Holdco of Resolutions 1 and 2 to approve the Scheme and various matters in connection with the Scheme, including: (i) the cancellation of the Scheme Shares; (ii) the de-listing of the Scheme Shares; (iii) the issue and allotment of Intra-Group Shares to New Holdco; and (v) the Scheme-related amendments to the Existing Holdco Articles;
- (C) the appropriate regulator (as defined in section 178(2A) of FSMA):
  - (i) having given notice for the purpose of section 189(4)(a) of FSMA that it has determined to approve unconditionally;
  - (ii) having given notice for the purpose of section 189(7) of FSMA that it has determined to approve subject to conditions that are acceptable to New Holdco (acting reasonably); or
  - (iii) being treated, by virtue of section 189(6) of FSMA, as having approved,each acquisition or increase of control over a UK authorised person (as defined in section 191G of FSMA) by New Holdco and each other member of the Group required to give a notice under section

178 of FSMA in connection with the Scheme or its implementation, in each case, where references to FSMA are read, where applicable, with the Financial Services and Markets Act 2000 (Controllers) (Exemption) Order 2009 (SI 2009/774), the Electronic Money Regulations 2011 (SI 2011/99) and the Payment Services Regulations 2017 (SI 2017/752);

- (D) in respect of New Holdco in connection with the acquisition of the Intra-Group Shares under the Scheme, the Central Bank of Ireland having been notified of the acquisition under Regulation 38 of the European Communities (Electronic Money) Regulations 2011 and the assessment period in relation to the acquisition having ended and the Central Bank of Ireland having not notified New Holdco under Regulation 44 of the European Communities (Electronic Money) Regulations 2011 that it opposes the acquisition, or the Central Bank of Ireland having notified New Holdco that it does not oppose the acquisition;
- (E) the sanction of the Scheme by the Court;
- (F) a copy of the Court Order (including a copy of the related Existing Holdco Statement of Capital) having been delivered to the Registrar of Companies for registration;
- (G) permission having been granted by the FCA to de-list the Scheme Shares and to admit (subject to the allotment of Intra-Group Shares in connection with the Scheme and satisfaction of Conditions (A) to (F) above, save to the extent such Conditions are already satisfied) the New Holdco Shares to the premium listing segment of the Official List; and
- (H) the London Stock Exchange having agreed to admit the New Holdco Shares to trading on its main market for listed securities and its agreement not being withdrawn prior to the Scheme Effective Date, (together the “**Conditions**”).

The Directors will not take the necessary steps to implement the Scheme unless the Conditions have been satisfied and, at the relevant time, they consider that it continues to be in the best interests of Existing Holdco and Shareholders that the Scheme should be implemented.

At the point at which Conditions (A), (B) and (C) have been satisfied, the Directors will determine when it is in the best interests of Existing Holdco and Shareholders to proceed to obtaining the Court’s sanction of the Scheme at the Court Hearing and the fulfilment of Conditions (C), (F), (G) and (H). If Conditions (A), (B) and (C) are only satisfied late in 2023, the Directors may determine that it is in the best interests of Existing Holdco and the Shareholders for it to schedule the Court Hearing such that the Scheme Effective Date will occur in January 2024. The Court Hearing is expected to be held at The Royal Courts of Justice, The Rolls Building, 7 Rolls Buildings, Fetter Lane, London EC4A 1WL. Shareholders who wish to support or oppose the Scheme will be informed by advertisement in a newspaper with national distribution in the United Kingdom and on Existing Holdco’s website at <https://www.pollenstreetgroup.com/> of their right to appear in person, or be represented by counsel, at the Court Hearing.

The Scheme contains a provision for Existing Holdco and New Holdco jointly to consent, on behalf of all persons concerned, to any modification of or addition to the Scheme, or to any condition that the Court may think it fit to approve or impose. Existing Holdco has been advised by its legal advisers that the Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be material to the interests of Shareholders unless Shareholders were informed of any such modification, addition or condition. It will be a matter for the Court to decide, in its discretion, whether or not further meetings of Shareholders should be held. If the Court does approve or impose a modification of, or addition or condition to, the Scheme which, in the opinion of the Directors, is such as to require the consent of the Shareholders, the Directors will not take the necessary steps to enable the Scheme to become effective unless and until such consent is obtained.

If the Scheme has not become effective by 28 February 2024 (or such later date as the Court allows), it will lapse, in which event the Scheme will not proceed, there will not be a new holding company of Existing Holdco, Shareholders will remain shareholders of Existing Holdco and the Scheme Shares will continue to be listed on the Official List and admitted to trading on the London Stock Exchange.

The full text of the Scheme and of the resolutions to be proposed at the Court Meeting and the General Meeting are set out in Part V (*The Scheme of Arrangement*), Part IX (*Notice of Court Meeting*) and Part X (*Notice of General Meeting*) of this document.



The Scheme is governed by English law and is subject to the jurisdiction of the courts of England. The Scheme is also subject to the applicable requirements of the Listing Rules, the London Stock Exchange, the FCA and the Registrar of Companies.

## **5. SHAREHOLDER APPROVAL FOR IMPLEMENTATION OF THE SCHEME**

The Scheme will require the approval of the Shareholders at the Court Meeting, convened pursuant to an order of the Court, and the passing by Shareholders of the Resolutions set out in the Notice of General Meeting. Both of the Meetings have been convened for 11 October 2023 and will be held at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY.

The Scheme also requires a separate sanction from the Court.

Notices of the Court Meeting and the General Meeting are contained, respectively, in Part IX (*Notice of Court Meeting*) and X (*Notice of General Meeting*) of this document.

Entitlement to attend and vote at these Meetings and the number of votes which may be cast thereat will be determined by reference to the register of members of Existing Holdco at the Voting Record Time. All Shareholders whose names appear on the register of members of Existing Holdco at the Voting Record Time, shall be entitled to attend and speak and vote at the relevant Meeting in respect of the number of Ordinary Shares registered in their name at that time (although, as described above, all such Shareholders are strongly encouraged to submit voting instructions by way of proxy instead).

### **5.1 Court Meeting**

The Court Meeting has been convened for 10.30 a.m. (London time) on 11 October 2023 pursuant to an order of the Court. At the Court Meeting, or at any adjournment thereof, the Shareholders will consider and, if thought fit, approve the Scheme.

Voting at the Court Meeting will be by poll and not on a show of hands and each Shareholder entitled to attend and who is present in person or by proxy will be entitled to one vote for each Ordinary Share held. The statutory majority required to approve the Scheme at the Court Meeting is a simple majority in number of the Shareholders present and voting (either in person or by proxy) at the Court Meeting and representing not less than seventy-five per cent. (75%) of the nominal value of the Ordinary Shares voted (either in person or by proxy) by such Shareholders.

In order that the Court can be satisfied that the votes cast constitute a fair representation of the views of the Shareholders, it is important that as many votes as possible are cast at the Court Meeting. Shareholders are therefore urged to take the action referred to in section 15 of this Part III (*Explanation of the Scheme and its effects*). It is also particularly important for you to be aware that if the Scheme is approved and becomes Effective, it will be binding on all Shareholders irrespective of whether they cast votes in relation to the matters the subject of the Court Meeting and irrespective of the manner in which they voted.

### **5.2 General Meeting**

The General Meeting has been convened for 10.45 a.m. (London time) on 11 October 2023 (or as soon thereafter as the Court Meeting has finished or is adjourned). At the General Meeting or at any adjournment thereof, Shareholders will consider and, if thought fit, pass the Resolutions set out in the Notice of General Meeting contained in Part X (*Notice of General Meeting*) of this document.

### **Resolutions**

The Resolutions are proposed in order to approve:

- (A) for the purposes of giving effect to the Scheme:
  - (i) the authority to enable the Directors to take all such actions as they may consider necessary or appropriate for carrying the Scheme into effect;
  - (ii) the reduction of the share capital of Existing Holdco by the cancellation of the Scheme Shares;

- (iii) the application of the reserve arising as a result of the cancellation of the Scheme Shares by paying up the Intra-Group Shares and the allotment and issuance, credited as fully paid, of such number of Intra-Group Shares as are equal to the number of Scheme Shares cancelled, to New Holdco, in accordance with the Scheme;
  - (iv) the authority to enable the Directors to allot Intra-Group Shares in accordance with section 551 of the Companies Act 2006; and
  - (v) the de-listing of the Scheme Shares;
- (B) amendments to the Existing Holdco Articles to deal with certain matters relating to the Scheme;
  - (C) the cancellation of Existing Holdco's share premium account; and
  - (D) the proposed change of listing category that will result in Shareholders receiving premium segment (commercial company) shares in New Holdco in place of their premium segment (close-ended investment fund) shares in Existing Holdco.

These Resolutions will be proposed as special resolutions. The majority required for the passing of the special resolutions is not less than seventy-five per cent. (75%) of the votes cast (in person or by proxy) at the General Meeting.

Voting on the Resolutions will be by poll and not on a show of hands.

### 5.3 Forms of Proxy

If you do not intend to physically attend the Court Meeting or the General Meeting, please instead complete and sign both Forms of Proxy accompanying this document, blue for the Court Meeting and white for the General Meeting, in accordance with the instructions printed on them and return them to the Existing Holdco's Registrar, Computershare, at the return address printed on the back of the form of proxy as soon as possible or using the pre-paid envelope provided, and in any event so as to be received no later than 10.30 a.m. (London time) on 9 October 2023, in the case of the Court Meeting and 10.45 a.m. (London time) on 9 October 2023 in the case of the General Meeting.

If the Blue Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to [externalproxyqueries@computershare.co.uk](mailto:externalproxyqueries@computershare.co.uk) any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof. Any Form of Proxy sent to this email address before 10.30 a.m. on 9 October 2023 may be discounted as invalid. In the case of the General Meeting, the White Form of Proxy must be returned by the time mentioned above, or it will be invalid.

You can also submit your proxy electronically by logging on to the following website: [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and entering the Control Number, Shareholder Reference Number and PIN shown on your Form of Proxy. For an electronic proxy appointment to be valid, the appointment must be received by the Registrar no later than 10.30 a.m. (London time) on 9 October 2023 for the Court Meeting and 10.45 a.m. (London time) on 9 October 2023 for the General Meeting (or, in the case of adjournment(s), not later than 48 hours before the time fixed for the adjourned Meeting(s)). Full details of the procedure to be followed to appoint a proxy electronically are given on the website.

You can also attend and vote at the Meetings electronically by logging on to the following website: [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and entering the Control Number, Shareholder Reference Number and PIN shown on your Form of Proxy.

If you hold your Ordinary Shares in uncertificated form through CREST, you may vote using the CREST electronic proxy appointment service in accordance with the procedures set out in the CREST manual (please also refer to the accompanying notes to the Notice of General Meeting set out at the end of Part VIII (*Notice of General Meeting*) of this document). A proxy submitted via CREST (under CREST participant ID 3RA50) must be received by Existing Holdco's Registrars, Computershare, not later than 10.30 a.m. (London time) on 9 October 2023 in the case of the Court Meeting and by 10.45 a.m. (London time) on 9 October 2023 in the case of the General Meeting (or, in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

## **6. EFFECT OF THE SCHEME**

Upon the Scheme becoming effective, the Scheme will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and if they attended and voted (whether in person or by proxy), whether or not they voted in favour).

The effect of implementation of the Scheme will be as follows:

- (A) instead of having its ordinary share capital owned by the Scheme Shareholders, Existing Holdco will become a wholly owned subsidiary of New Holdco with effect from the Scheme Effective Date, as a result of all of the Scheme Shares being cancelled and extinguished and the Intra-Group Shares being allotted and issued, credited as fully paid, to New Holdco;
- (B) instead of owning Ordinary Shares, each Scheme Shareholder will, from the Scheme Effective Date, own the same number of New Holdco Shares, as a result of New Holdco having issued New Holdco Shares to holders of Scheme Shares as at the Scheme Record Time; and
- (C) New Holdco will be the holding company of the Group.

The New Holdco Directors will be as set out in section 1 of Part IV (*Additional Information*) of this document, and therefore the management of New Holdco will be the same as the management of the Existing Holdco as at the date of this document. New Holdco will replicate any changes to the composition of the Board that occur between the date of publication of this document and the Scheme Effective Date. New Holdco will follow Existing Holdco in complying with the main principles of the UK Corporate Governance Code, retaining the Pollen Street Group's strong commitment to high standards of governance and corporate responsibility.

## **7. EMPLOYEE SHARE PLANS**

Existing Holdco has, since the completion of the Combination, operated the Share Plans.

The intention is for participants in the Share Plans to have any awards granted exchanged for equivalent awards over New Scheme Shares, subject to the rules of the Share Plans (except for the fact that references in the Share Plans to the member of the Group operating the Share Plans will be construed as being New Holdco). At the Latest Practicable Date, no awards have been granted under the Share Plans, and Existing Holdco has not declared the grant of any such awards.

New Holdco proposes to implement, prior to and conditional on Admission, equivalent employee incentive arrangements to the Share Plans which will operate over New Holdco Shares for the purposes of any future awards.

## **8. CANCELLATION OF THE SHARE PREMIUM ACCOUNT**

At the same time, Existing Holdco is taking the opportunity to cancel and extinguish all amounts standing to the credit of Existing Holdco's share premium account such that the share premium account of Existing Holdco will be reduced to zero and the credit arising as a result of the reduction shall be credited to a separate reserve in Existing Holdco's accounts and shall thereafter be available to Existing Holdco as part of its distributable reserves. The cancellation of Existing Holdco's share premium account will require the confirmation of the Court.

## **9. LISTING, DELISTING, DEALINGS AND SETTLEMENT**

The last time for dealing in Ordinary Shares on the London Stock Exchange is expected to be close of business on the working day before the Scheme Effective Date, such that no transfers of Ordinary Shares will be registered after 6.00 p.m. on that date.

Prior to the Scheme becoming effective in accordance with its terms, an application will be made by the Existing Holdco to the London Stock Exchange to cancel trading in Ordinary Shares on its main market for listed securities and to the FCA to cancel the listing of the Ordinary Shares from the Official List, in each case to take effect shortly after the Scheme Effective Date.

On the Scheme Effective Date, Existing Holdco will become a wholly owned subsidiary of New Holdco and share certificates in respect of Ordinary Shares will cease to be valid. In addition, entitlements to the Ordinary Shares held within the CREST system will be disabled from the Scheme Effective Date and will expire and be removed soon thereafter.

Prior to the Scheme Effective Date, applications will be made to the London Stock Exchange for the New Holdco Shares to be admitted to trading on its main market for listed securities and to the FCA for the New Holdco Shares to be admitted to the premium listing segment of the Official List.

It is expected that the New Holdco Shares will be admitted to trading on the London Stock Exchange by 8.00 a.m. on the first Business Day following the Scheme Effective Date and dealings for normal settlement in the New Holdco Shares will commence at that time.

**With effect from (and including) the Scheme Effective Date, all share certificates representing the Ordinary Shares will cease to be valid and binding in respect of such holdings and should be destroyed.**

## **10. SHARE CERTIFICATES AND CREST**

New Holdco Shares can be held in certificated or uncertificated form. Definitive share certificates for the New Holdco Shares of Shareholders who held their Ordinary Shares in certificated form are expected to be despatched within 14 days after the Scheme Effective Date. In the case of joint holders, share certificates will be despatched to the joint holder whose name appears first in the register. All share certificates will be sent by pre-paid first class post at the risk of the person entitled thereto. Pending the despatch of such certificates, transfers of New Holdco Shares in certificated form will be certified against the register of New Holdco. Temporary documents of title have not been, and will not be, issued in respect of such shares.

Ordinary Shares held in uncertificated form will be disabled in CREST by the Scheme Record Time. For Scheme Shareholders who held their Ordinary Shares in a CREST account, New Holdco Shares which are allotted and issued pursuant to the Scheme are expected to be credited to the relevant CREST member account on the Business Day after the Scheme Effective Date. CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The New Holdco Articles permit the holding of New Holdco Shares under the CREST system. Application will be made for the New Holdco Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in New Holdco Shares following Admission may take place within the CREST system. CREST is a voluntary system and holders of New Holdco Shares who wish to receive and retain share certificates will be able to remove their New Holdco Shares from the CREST system following the Scheme becoming effective.

New Holdco will have the right to issue New Holdco Shares to all shareholders in certificated form if, for any reason, it wishes to do so.

All instructions, DRIP mandates, bank mandates, elections and communication preferences in force on the Scheme Effective Date relating to notices and other communications will, unless and until varied or revoked, be deemed from the Scheme Effective Date to be valid and effective mandates or instructions to New Holdco in relation to the corresponding holding of New Holdco Shares.

All documents, certificates, cheques or other communications sent by, to, from or on behalf of Shareholders, or as such persons shall direct, will be sent entirely at their own risk.

It is proposed that the New Holdco Shares be made eligible for settlement in CREST, the paperless system for settlement of trades in securities admitted to the Official List, and traded on the London Stock Exchange's main market for listed securities operated by Euroclear. Euroclear requires New Holdco to confirm to it that certain conditions imposed by the CREST Regulations are satisfied before Euroclear will admit any security to CREST. It is expected that these conditions will be satisfied in respect of the New Holdco Shares on Admission. As soon as practicable after satisfaction of the Conditions, it is expected that New Holdco will confirm this to Euroclear.

If you currently hold Ordinary Shares in uncertificated form, the Ordinary Shares under ISIN GB00BYZV3G25 will be disabled by the Scheme Record Time and on or soon after 8.00 a.m. (London time) on the Business

Day after the Scheme Effective Date your CREST account will be credited with New Holdco Shares under ISIN GG00BMHG0H12.

## **11. OVERSEAS SHAREHOLDERS**

The implications of the Scheme for, and the distribution of this document to, Overseas Shareholders may be affected by the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about and observe all applicable legal requirements.

It is the responsibility of any person into whose possession this document comes to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme and the distribution of this document and/or the accompanying documents, including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

If, in respect of any Overseas Shareholder, New Holdco is advised that the allotment and issue of New Holdco Shares pursuant to the Scheme would or might infringe the laws of any jurisdiction outside Guernsey or the United Kingdom, or would or might require New Holdco to obtain any governmental or other consent or effect any registration, filing or other formality with which, in the opinion of New Holdco, it would be unable to comply or which it regards as unduly onerous, the Scheme provides that New Holdco may determine that the New Holdco Shares shall be issued to such shareholder and then sold on his behalf as soon as reasonably practicable at the best price which can reasonably be obtained at the time of sale, with the net proceeds of sale being remitted to the Overseas Shareholder at the risk of such shareholder. Alternatively, New Holdco may determine that no New Holdco Shares shall be allotted and issued to that shareholder but instead those New Holdco Shares shall be allotted and issued to a nominee appointed by New Holdco as trustee for such shareholder, on terms that they shall be sold on behalf of such shareholder as soon as reasonably practicable after the Scheme becomes effective, with the net proceeds of sale being remitted to the Overseas Shareholder concerned at the risk of such shareholder.

Overseas Shareholders should consult their own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the Scheme in their particular circumstances.

## **12. SHAREHOLDER AUTHORITIES RELATING TO NEW HOLDCO**

The New Holdco Shareholders and/or New Holdco Directors have passed prior to the date of this document, or are expected to pass prior to the Court Meeting, certain resolutions in order to, among other matters, authorise New Holdco to carry out the actions required of it in relation to the Scheme and related proposals. The intention is that New Holdco will, following the Scheme Effective Date, have in place the same shareholder authorities as those applying to the Existing Holdco as at the Scheme Effective Date including (but not limited to):

- (A) the approval of the appointment of auditors of New Holdco;
- (B) the authority for the New Holdco Audit Committee to determine the auditors' remuneration;
- (C) the authority for the New Holdco Directors to allot New Holdco Shares pursuant to the Scheme;
- (D) the authority for the New Holdco Directors to allot New Holdco Shares generally, up to a specified limit;
- (E) the authority for New Holdco to make market purchases of New Holdco Shares; and
- (F) the ability for New Holdco to call general meetings (other than annual general meetings) on 14 days' notice.

The authorities granted or to be granted to the New Holdco Directors in relation to the allotment of shares, the disapplication of pre-emption rights and the ability for New Holdco to purchase its own shares referred to in (D) to (F) above are equivalent to the corresponding authorities sought and expected to be obtained by Existing Holdco at its 2023 Annual General Meeting.

To ensure that the number of New Holdco Shares allotted to each Shareholder matches the number of Scheme Shares held by each Shareholder immediately prior to the Scheme Effective Date, the number of

New Holdco Shares to be allotted to each of the Shareholders pursuant to the Scheme will be reduced by the number of New Holdco Shares already held by that Shareholder on the Scheme Effective Date. Each Shareholder will elect to receive fewer New Holdco Shares under the Scheme accordingly.

### **13. PROSPECTUS**

New Holdco intends to publish a prospectus in Q4 2023 for the purposes of and in connection with Admission. For the purposes of Rule 3.2 of the Prospectus Regulation Rules, the prospectus will be published in electronic form and be available on New Holdco's website at <https://www.pollenstreetgroup.com/shareholders>. Shareholders will be able to request a printed copy of the prospectus to be delivered to them upon request and free of charge. The distribution of the prospectus in, into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore Shareholders requesting a prospectus to be delivered outside of the United Kingdom should inform themselves about, and observe, any such restrictions.

### **14. FURTHER INFORMATION**

You should read the whole of this document.

Your attention is drawn, in particular, to the letter from your Chair in Part II (*Letter from the Chair of Existing Holdco*) of this document, the Additional Information set out in Part IV (*Additional Information*) of this document, the Scheme set out in Part V (*The Scheme of Arrangement*) of this document, the Notices of Meetings in Part IX (*Notice of Court Meeting*) and Part X (*Notice of General Meeting*) of this document.

### **15. ACTION TO BE TAKEN**

You will find enclosed with this document:

- (A) a blue Form of Proxy for use at the Court Meeting; and
- (B) a white Form of Proxy for use at the General Meeting.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Shareholder opinion.

If you hold Ordinary Shares and do not intend to attend the Court Meeting or General Meeting in person, please sign and return both Forms of Proxy, appointing the Chair of the Court Meeting and the General Meeting as proxy electronically as referred to below, as soon as possible and in any event so as to be received by New Holdco's Registrars, Computershare, at their address: The Pavilions, Bridgwater Road, Bristol, BS99 6ZZ as follows:

- Blue Forms of Proxy for the Court Meeting by 10.30 a.m. (London time) on 9 October 2023
- White Forms of Proxy for the General Meeting by 10.45 a.m. (London time) on 9 October 2023

(or, in the case of an adjourned meeting, not less than 48 hours prior to the time and date set for the adjourned meeting).

You can submit your proxy electronically by logging on to the following website: [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and entering the Control Number, Shareholder Reference Number and PIN shown on your Form of Proxy. For an electronic proxy appointment to be valid, the appointment must be received by the Registrar no later than 10.30 a.m. (London time) on 9 October 2023 for the Court Meeting and 10.45 a.m. (London time) on 9 October 2023 for the General Meeting (or, in the case of adjournment(s), not later than 48 hours before the time fixed for the adjourned Meeting(s)). Full details of the procedure to be followed to appoint a proxy electronically are given on the website.

If you hold your Ordinary Shares in uncertificated form (i.e., in CREST), you may vote using the CREST electronic proxy appointment service in accordance with the procedures set out in the CREST manual (please also refer to the accompanying notes for the Notice of General Meeting set out at the end of Part VIII (*Notice of General Meeting*) of this document). A proxy submitted via CREST (under CREST participant ID 3RA50) must be received by Existing Holdco's Registrars, Computershare, not later than 10.30 a.m. (London time) on 9 October 2023 in the case of the Court Meeting; and by 10.45 a.m. (London time) on 9 October

2023 in the case of the General Meeting (or, in the case of any adjournment, not less than 48 hours prior to the time fixed for the adjourned meeting).

In each case, the Forms of Proxy and voting instruction cards should be completed in accordance with the instructions printed on them.

If the blue Form of Proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to [externalproxyqueries@computershare.co.uk](mailto:externalproxyqueries@computershare.co.uk) any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof. Any blue Form of Proxy sent to that email address before 10.30 a.m. on 9 October 2023 may be discounted as invalid. In the case of the General Meeting, the white Form of Proxy will be invalid unless it is lodged so as to be received at least 48 hours before the time appointed for such Meeting.

**PART IV**  
**ADDITIONAL INFORMATION**

**1. DIRECTORS**

The following table sets out the name, position and year of appointment to their current role for each current member of the Board. The management of New Holdco will be substantially the same as the management of Existing Holdco as at the date of this document.

Each Director listed in the table below that is not, as at the date of this document, a New Holdco Director will be appointed by New Holdco prior to the Scheme Effective Date such that, on and from the Scheme Effective Date, the composition of the New Holdco Board will mirror the Board. New Holdco will follow Existing Holdco in complying with the main principles of the UK Corporate Governance Code, retaining the Group's strong commitment to the high standards of governance and corporate responsibility.

<i>Name</i>	<i>Position</i>	<i>Year of appointment (to the Board)</i>
Robert Sharpe	Chair Chair, Nomination Committee	2015
Lindsey McMurray	Chief Executive Officer	2022
Julian Dale	Chief Financial Officer	2022
Jim Coyle	Senior Independent Director Chair, Audit Committee	2015
Richard Rowney	Non-Executive Director Chair, Risk Committee	2019
Joanne Lake	Non-Executive Director Chair, Remuneration Committee	2021
Gustavo Cardenas	Non-Executive Director	2022

**1.1 Directors' interests**

On the Scheme Effective Date, the Directors will have the following approximate beneficial interests in New Holdco Shares by virtue of the effect of the Scheme on their Ordinary Shares:

<i>Director</i>	<i>Ordinary Shares/ New Holdco Shares on the Scheme Effective Date</i>	<i>Approximate percentage shareholding of Ordinary Shares/New Holdco Shares on the Scheme Effective Date</i>
Lindsey McMurray	11,582,090	18.04%
Julian Dale	221,281	0.34%
Joanne Lake	2,713	<0.01%

**1.2 Directors' incentive awards**

As at the Latest Practicable Date, there were no options and awards over the Ordinary Shares held by the Directors.

**2. INFORMATION ABOUT THE NEW SCHEME SHARES**

**2.1 Description and type of securities**

The New Scheme Shares will be fully paid ordinary shares with a nominal value of £0.01 each. On Admission, the New Scheme Shares will be registered with an ISIN of GG00BMHG0H12. It is expected that the New



Scheme Shares will be traded on the main market for listed securities of the London Stock Exchange under the ticker symbol "POLN".

The New Scheme Shares have been issued under the Companies Law.

On Admission, the number of New Scheme Shares in issue will be equal to the number of Scheme Shares in issue at the Scheme Record Time. The New Scheme Shares will be freely transferable and there will be no restrictions on the transfer of New Scheme Shares in the United Kingdom (save as in respect of the New Lock-up Agreements, as set out in paragraph 3.4 of Part II (*Letter from Chair of Existing Holdco*)). All New Scheme Shares will rank *pari passu* in all respects, there being no conversion or exchange rights attaching to them, and all New Holdco Shareholders will have equal rights to participate in capital, dividend and profit distributions by Existing Holdco, including to participate in any surplus in the event of the liquidation of Existing Holdco (save as in respect of the New Lock-up Agreements, as set out in paragraph 3.4 of Part II (*Letter from Chair of Existing Holdco*)). On a show of hands at general meetings of Existing Holdco, every New Holdco Shareholder who is present in person and every person holding a valid proxy shall have one vote and on a poll every New Holdco Shareholder present in person or by proxy shall have one vote per New Scheme Share. The New Scheme Shares will not carry any rights as respects to capital to participate in a distribution (including a winding-up) other than those that exist as a matter of law.

## **2.2 Form and currency of the New Scheme Shares**

The New Scheme Shares will be in registered form and will be capable of being held in certificated and uncertificated form. The registrar of New Holdco is Computershare.

The New Scheme Shares are, and on Admission will be, denominated in Pounds Sterling.

Title to the certificated New Scheme Shares will be evidenced by entry in the register of members of New Holdco and title to uncertificated New Scheme Shares will be evidenced by entry in the operator register maintained by the Registrar (which will form part of the register of members of New Holdco).

No share certificates will be issued in respect of New Scheme Shares in uncertificated form. No temporary documents of title have been or will be issued in respect of the New Scheme Shares.

It is currently anticipated that the New Scheme Shares will be eligible to join CREST, the computerised, paperless system for settlement of sales and purchases of shares in the London securities market, with effect immediately upon Admission and the commencement of dealings on the London Stock Exchange.

## **3. SUMMARY OF CHANGES TO THE EXISTING HOLDCO ARTICLES**

In certain circumstances, Ordinary Shares may need to be allotted after the General Meeting but before the Scheme Record Time but the timing of their allotment could mean that they are not classified as Scheme Shares and would therefore be outside of the scope of the Scheme. In addition, in certain other circumstances, Ordinary Shares may be issued after the Scheme Record Time, which would also mean that they were not classified as Scheme Shares and would therefore be outside of the scope of the Scheme. In order to address such situations, the Existing Holdco Articles will be amended in such a way as to ensure that: (i) any Ordinary Shares which are issued to any person other than New Holdco (or its nominee(s)) before the Scheme Record Time are allotted subject to the terms of the Scheme and the holders of such shares will be bound by the Scheme accordingly; and (ii) any Ordinary Shares which are allotted after the Scheme Record Time will be immediately transferred to New Holdco in exchange for the issue or transfer to the relevant allottees of one New Holdco Share for each Ordinary Share transferred.

These measures will avoid any person other than New Holdco being left holding Ordinary Shares after dealings in such shares have ceased on the London Stock Exchange and will further ensure that Existing Holdco becomes a wholly owned subsidiary of New Holdco despite issues of Ordinary Shares that would otherwise not be classified as Scheme Shares and would therefore be outside of the scope of the Scheme.

#### **4. THE NEW HOLDCO ARTICLES**

The New Holdco Articles are based on the Existing Holdco Articles with some updates (excluding, for the avoidance of doubt, any changes to the Existing Holdco Articles proposed to be made pursuant to any Resolutions to be put to Shareholders at the General Meeting).

The New Holdco Articles, together with a comparison document showing all changes made to the Existing Holdco Articles in order to produce the New Holdco Articles, will be made available for inspection in accordance with section 8 of this Part IV (*Additional Information*).

#### **5. FURTHER INFORMATION FOR OVERSEAS SHAREHOLDERS**

If you are a citizen, resident or national of a jurisdiction outside of the United Kingdom, your attention is drawn to section 11 of Part V (*Explanation of the Scheme and its effects*) of this document for further details concerning the Scheme.

#### **6. COSTS AND EXPENSES REGARDING ISSUE OF DOCUMENTATION**

The total costs and expenses relating to the issue of this document and to the preparation and implementation of the Scheme will be borne by Existing Holdco.

#### **7. CONSENTS**

##### **7.1 Sponsor**

Liberum Capital Limited, whose address is 25 Ropemaker Street, London, EC2Y 9LY, United Kingdom, has given and has not withdrawn its written consent to the inclusion in this Circular of references to its name, in each case, in the form and context in which they appear.

##### **7.2 Reporting Accountants**

Deloitte LLP are the Reporting Accountants for the Group. Deloitte LLP, whose address is 1 New Street Square, London EC4A 3BZ, United Kingdom, has given and has not withdrawn its written consent to the inclusion in this Circular of its accountant's report set out in full at Section B of Part VIII (*Unaudited Pro Forma Financial Information*) of this Circular.

Deloitte LLP is registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales.

PricewaterhouseCoopers LLP is the auditor for the Group and is acting as Reporting Accountant. PricewaterhouseCoopers LLP, whose address is 1 Embankment Place, London, WC2N 6RH, United Kingdom, has given and has not withdrawn its written consent to the inclusion in this Circular of its Accountants Report on the Historical Financial Information of the Pollen Street Capital Holdings Limited Group for the year ended 31 December 2022 as set out in Part 2 of Section B (*Selected Historical Financial Information for the Pollen Street Group*) of Part VII (*Historical Financial Information*).

PricewaterhouseCoopers LLP is registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales.

#### **8. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal business hours on any weekday (public holidays excepted) at the registered office of Existing Holdco at 11-12 Hanover Square, London, UK, W1S 1JJ:

- (A) the Existing Holdco Articles;
- (B) the New Holdco Articles;
- (C) a comparison document showing all the changes made to the Existing Holdco Articles;
- (D) the report by Deloitte LLP reproduced in full at Section B of Part VIII (*Unaudited Pro Forma Financial Information*) of this document;

- (E) the report by PricewaterhouseCoopers LLP reproduced in full at Part 2 of Section B (*Selected Historical Financial Information for the Pollen Street Group*) of Part VII (*Historical Financial Information*) of this document;
- (F) the consent letters referred to at paragraph 7.2 of this Part IV (*Additional information*); and
- (G) this document

This document will be published in printed form and available free of charge, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) for a period of twenty-eight (28) days from the date of publication of this document at Existing Holdco's registered office, being 11-12 Hanover Square, London, UK, W1S 1JJ. In addition, the document will be published in electronic form and be available on the Group's website at [www.pollenstreetgroup.com/shareholders](http://www.pollenstreetgroup.com/shareholders).

**PART V**  
**THE SCHEME OF ARRANGEMENT**

CR-2023-000879

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES  
COMPANIES COURT (ChD)

IN THE MATTER OF POLLEN STREET PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

---

**SCHEME OF ARRANGEMENT**

*(under Part 26 of the Companies Act 2006)*

---

**PRELIMINARY**

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

<b>“Business Day”</b>	a day (excluding Saturdays, Sundays and public holidays in England and Wales) on which banks generally are open for business in London for the transaction of normal banking business;
<b>“Court Meeting”</b>	the meeting of Scheme Shareholders (including any adjournment, postponement or reconvening thereof) convened by order of the Court pursuant to section 896 of the Companies Act 2006 for the purpose of considering and, if thought fit, approving (with or without modification) this Scheme;
<b>“CREST”</b>	means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations) in accordance with which securities may be held and transferred in uncertificated form;
<b>“CREST Regulations”</b>	means the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended;
<b>“Euroclear”</b>	means Euroclear UK & International Limited;
<b>“Existing Holdco”</b>	means Pollen Street Plc, a company incorporated under the laws of England and Wales with company number 09899024 and with its registered address at 11-12 Hanover Square, London, United Kingdom, W1S 1JJ;
<b>“Existing Holdco Shares”</b>	means ordinary shares of £0.01 each in the capital of Existing Holdco (and “ <b>Existing Holdco Share</b> ” shall mean any one of them);

<b>“Intra-Group Shares”</b>	means the ordinary shares of £0.01 each in the capital of Existing Holdco to be issued to New Holdco pursuant to this Scheme;
<b>“New Holdco”</b>	means Pollen Street Group Limited, a non-cellular company limited by shares incorporated under the laws of Guernsey with registered number 70165 and having its registered office at PO Box 656, East Wing Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3PP;
<b>“New Holdco Shares”</b>	means the ordinary shares of £0.01 each in the capital of New Holdco existing from time to time (including, for the avoidance of doubt, the New Scheme Shares);
<b>“New Scheme Shares”</b>	means the ordinary shares of £0.01 each in the capital of New Holdco, proposed to be issued and allotted as fully paid by New Holdco to the holders of Scheme Shares in connection with the Scheme (and <b>“New Scheme Share”</b> shall mean any one of them);
<b>“Overseas Shareholder”</b>	means a Scheme Shareholder who is a citizen, resident or national of any jurisdiction outside of the United Kingdom;
<b>“Scheme” or “Scheme of Arrangement”</b>	means this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Existing Holdco and New Holdco;
<b>“Scheme Effective Date”</b>	means the date on which the Scheme becomes effective in accordance with its terms;
<b>“Scheme Record Time”</b>	means 6.00 p.m. on the Business Day immediately prior to the Scheme Effective Date;
<b>“Scheme Shareholder”</b>	means a holder of Scheme Shares (and <b>“Scheme Shareholders”</b> shall be construed accordingly);
<b>“Scheme Shares”</b>	means any Existing Holdco Share: <ul style="list-style-type: none"> <li>(i) in issue at the date of this Scheme;</li> <li>(ii) (if any) issued after the date of this Scheme and prior to the Voting Record Time; and</li> <li>(iii) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time in respect of which the original or any subsequent holder thereof shall be bound by this Scheme or shall by such time have agreed in writing to be bound by this Scheme,</li> </ul> <p>in each case (where the context requires) remaining in issue at the Scheme Record Time, but excluding any Existing Holdco Share held in treasury, or that is legally or beneficially owned by New Holdco or any of its subsidiaries; and</p>
<b>“Voting Record Time”</b>	means 6.00 p.m. on the day that is two Business Days prior to the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two Business Days prior to the date of such adjourned meeting.

(B) References to clauses are to clauses of this Scheme.

- (C) The issued share capital of Existing Holdco at the date of this Scheme is £689,225.82, comprised of 68,922,582 Existing Holdco Shares of £0.01. Existing Holdco holds 4,712,985 Existing Holdco Shares in treasury as at the close of business on 13 September 2023 (being the latest practicable date prior to publication of this document). Existing Holdco intends to cancel all of the 4,712,985 Existing Holdco Shares held in treasury prior to the Scheme Record Time.
- (D) New Holdco was incorporated and registered under the laws of Guernsey as a limited company on 24 December 2021 under the name Harry Newco Limited and with registered number 70165. New Holdco does not hold any shares in Existing Holdco.
- (E) Pursuant to a special resolution passed by the members of New Holdco on 15 July 2022, New Holdco changed its name to Pollen Street Group Limited. This change of name was registered by the Guernsey Registry on 19 July 2022.
- (F) The issued share capital of New Holdco as at the date of this document is £0.02, comprised of two ordinary shares of £0.01.
- (G) New Holdco has agreed to appear by counsel at the hearing to sanction this Scheme and to undertake to the Court to be bound thereby and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

## **THE SCHEME**

### **1. CANCELLATION OF THE SCHEME SHARES**

- 1.1 On the Scheme Effective Date, the issued share capital of Existing Holdco shall be reduced by cancelling and extinguishing the Scheme Shares.
- 1.2 Subject to and forthwith upon the said reduction of capital taking effect, the credit arising in the books of account of Existing Holdco as a result of the said reduction of capital shall be capitalised and applied in paying up, in full at par, such number of Intra-Group Shares as shall be equal to the number (and aggregate nominal value) of the Scheme Shares cancelled in accordance with sub-clause 1.1 above, which shall be allotted and issued, credited as fully paid, to New Holdco.

### **2. NEW HOLDCO SHARES**

- 2.1 In consideration of the cancellation of the Scheme Shares and the allotment and issue of the Intra-Group Shares to New Holdco pursuant to Clause 1 above, New Holdco shall (subject to, and in accordance with, the remaining provisions in this Scheme), on the Scheme Effective Date, allot and issue (credited as fully paid) New Scheme Shares to the Scheme Shareholders (as appearing in the register of members of Existing Holdco at the Scheme Record Date) on the following basis:

**for every one Scheme Share held at the Scheme Record Date, one New Holdco Share**

- 2.2 The New Scheme Shares shall be issued and credited as fully paid, shall rank equally in all respects with all other fully paid New Holdco Shares and shall be entitled to all dividends and other distributions declared, paid or made by New Holdco by reference to a record date on or after the Scheme Effective Date.
- 2.3 The provisions of sub-clause 2.1 shall be subject to any prohibition or condition imposed by law. Without prejudice to the generality of the foregoing, if, in respect of any Overseas Shareholder, New Holdco is advised that the allotment and issue of New Holdco Shares pursuant to this Clause would or might infringe the laws of any jurisdiction outside the United Kingdom or would or might require New Holdco to observe any governmental or other consent or effect any registration, filing or other formality with which, in the opinion of New Holdco, it would be unable to comply or which it regards as unduly onerous, then New Holdco may in its sole discretion either:
  - (A) determine that such New Holdco Shares shall be sold, in which event the New Holdco Shares shall be issued to such Overseas Shareholder and New Holdco shall appoint a person to act pursuant to this sub-clause 2.3(A) and such person shall be authorised on behalf of such

Overseas Shareholder to procure that any shares in respect of which New Holdco has made such a determination shall, as soon as practicable following the Scheme Effective Date, be sold at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale shall (after the deduction of all expenses and commissions, including any amount in respect of value added tax payable thereon) be paid to such Overseas Shareholder by sending a cheque or warrant to such Overseas Shareholder in accordance with the provisions of Clause 3 below. To give effect to any such sale, the person so appointed shall be authorised on behalf of such Overseas Shareholder to execute and deliver a form of transfer and to give such instructions and do all such things which he may consider necessary or expedient in connection with such sale. In the absence of bad faith or wilful default, none of Existing Holdco, New Holdco, any appointee referred to in this sub-clause 2.3(A) or any broker or agent of any of them shall have any liability for any loss arising as a result of the timing or terms of any such sale; or

- (B) determine that no such New Holdco Shares shall be allotted and issued to such Overseas Shareholder under this Clause, but instead such New Holdco Shares shall be allotted and issued to a nominee appointed by New Holdco as trustee for such Overseas Shareholder, on terms that they shall, as soon as reasonably practicable following the Scheme Effective Date, be sold on behalf of such Overseas Shareholder at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale shall (after the deduction of all expenses and commissions, including any amount in respect of value added tax payable thereon) be paid to such Overseas Shareholder by sending a cheque or warrant to such Overseas Shareholder in accordance with the provisions of Clause 3 below. In the absence of bad faith or wilful default, none of Existing Holdco, New Holdco, any nominee referred to in this sub-clause 2.3(B) or any broker or agent of any of them shall have any liability for any loss arising as a result of the timing or terms of any such sale.

### **3. CERTIFICATES AND PAYMENTS**

- 3.1 Not later than 14 days after the Scheme Effective Date, New Holdco shall send by post to the allottees of the allotted and issued New Holdco Shares certificates in respect of such shares, save that where Scheme Shares are held in uncertificated form, New Holdco shall procure that Euroclear is instructed to cancel the entitlement to Scheme Shares of each of the Scheme Shareholders concerned and to credit to the appropriate stock accounts in CREST of the Scheme Shareholders concerned their due entitlements to New Holdco Shares.
- 3.2 Not later than 14 days following the sale of any relevant New Holdco Shares pursuant to sub-clause 2.3, New Holdco shall procure that the person appointed under sub-clause 2.3(A) or the nominee appointed under sub-clause 2.3(B) shall account for the cash payable by despatching to the persons respectively entitled thereto, cheques by post or by any direct, bank or other funds transfer or, in the case of an uncertificated share, by the relevant system.
- 3.3 All certificates required to be sent by New Holdco pursuant to sub-clause 3.1 and all cheques required to be sent pursuant to sub-clause 3.2 shall be sent by post in pre-paid envelopes addressed to the persons respectively entitled thereto at their respective addresses appearing in the register of members of Existing Holdco at the Scheme Record Date (or, in the case of joint Scheme Shareholders, to the address of that one of the joint Scheme Shareholders whose name stands first in the register in respect of the joint holding) or in accordance with any special instructions regarding communications received at the registered office of Existing Holdco prior to the Scheme Record Date.
- 3.4 None of Existing Holdco, New Holdco, any person referred to in sub-clause 2.3(A), such nominee appointed to act under sub-clause 2.3(B) nor any agent of any of them shall be responsible for any loss or delay in transmission of certificates, cheques or warrants sent in accordance with this Clause 3.
- 3.5 This Clause 3 shall take effect subject to any prohibition or condition imposed by law.

#### **4. CERTIFICATES REPRESENTING SCHEME SHARES**

With effect from and including the Scheme Effective Date, all certificates representing holdings of Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised therein and any holder of a Scheme Share in certificated form should destroy such certificate at the Scheme Effective Date.

#### **5. RECORD OF CANCELLATION OF SCHEME SHARES**

- 5.1 Euroclear shall be instructed to cancel the entitlements to Scheme Shares of Scheme Shareholders whose Scheme Shares are held in uncertificated form and appropriate entries shall be made in Existing Holdco's register of members as regards Scheme Shares in certificated form, with effect from the Scheme Effective Date, to reflect their cancellation.
- 5.2 As regards certificated Scheme Shares, appropriate entries shall be made in Existing Holdco's register of members, with effect from the Scheme Effective Date, to reflect their cancellation.

#### **6. MANDATES AND INSTRUCTIONS**

Each mandate in force and duly notified to Existing Holdco at the Scheme Record Date relating to the payment of dividends on Scheme Shares and each instruction, election and communication preference then in force as to notices and other communications (including electronic communications) from Existing Holdco shall, unless and until varied and revoked, be deemed, from and including the Scheme Effective Date, to be a valid and effective mandate or instruction to New Holdco in relation to the corresponding New Holdco Shares to be allotted and issued pursuant to this Scheme.

#### **7. SCHEME EFFECTIVE DATE**

- 7.1 The Scheme shall become effective as soon as a copy of the Court Order (including a copy of the related Existing Holdco Statement of Capital) shall have been duly delivered to the Registrar of Companies for England and Wales.
- 7.2 Unless the Scheme shall have become effective on or before 28 February 2024, or such later date, if any, as Existing Holdco and New Holdco may agree and the Court may allow, this Scheme shall never become effective.

#### **8. MODIFICATION**

Existing Holdco and New Holdco may jointly consent on behalf of all persons concerned to any modification of, or addition to, the Scheme or to any condition which the court may think fit to approve or impose. No modification may be made to the Scheme pursuant to this clause once the Scheme has taken effect.

#### **9. COSTS**

Existing Holdco is authorised and permitted to pay all the costs and expenses relating to the negotiation, preparation and implementation of the Scheme.

#### **10. GOVERNING LAW**

This Scheme is governed by English law and is subject to the exclusive jurisdiction of the English courts.

Dated 18 September 2023



## PART VI

### TAXATION

#### SECTION A: UNITED KINGDOM TAXATION

##### 1. Introduction

The following statements are based upon current UK tax law and the current published practice of HMRC (which may not be binding on HMRC) as of the date of this document, both of which are subject to change, possibly with retrospective effect. The statements are intended only as a general guide and are not intended to be comprehensive.

Except where expressly stated otherwise, the statements below are intended to apply only to Scheme Shareholders:

- (A) who are for UK tax purposes resident and, if individuals, domiciled or deemed domiciled in and only in the UK;
- (B) to whom split-year treatment does not apply;
- (C) who are the absolute beneficial owners of their Scheme Shares and any dividends paid in respect of them; and
- (D) who hold their Scheme Shares as investments (otherwise than through an individual savings account or a pension arrangement) and not as securities to be realised in the course of a trade.

The statements may not apply to certain shareholders, such as charities, dealers in securities, broker dealers, market makers, insurance companies, trustees, collective investment schemes, pension schemes, persons subject to UK tax on a remittance basis, persons who are otherwise exempt from UK tax or Scheme Shareholders who have (or are deemed to have) acquired their Scheme Shares by virtue of an office or employment (whether present, past or prospective) or who could be treated as holding their Scheme Shares as carried interest. Such shareholders may be subject to special rules.

The material set out in the sections below does not constitute tax advice. Any person who is in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction other than the UK, should consult their own professional advisers.

##### 2. Taxation of chargeable gains

For the purposes of UK taxation of chargeable gains, the cancellation of the Scheme Shares and the issue of New Scheme Shares should be treated as a reorganisation of share capital. On that basis, UK resident Scheme Shareholders should not be treated as having made a disposal of their Scheme Shares for the purposes of UK taxation of chargeable gains and therefore no liability to UK capital gains tax or corporation tax on chargeable gains should arise. Any New Scheme Shares issued to such Scheme Shareholders should be treated as the same asset, and as having been acquired at the same time and for the same consideration as their former Scheme Shares.

Scheme Shareholders who hold (either alone or together with other persons connected with them) more than 5 per cent. (5%), of, or of any class of, shares in or debentures of Existing Holdco will not receive the "rollover" treatment described above if the Scheme has not been effected for *bona fide* commercial reasons or it forms part of a scheme or arrangements of which the main purpose, or one of the main purposes, is the avoidance of liability to capital gains tax or corporation tax. If these conditions are not met, then such Scheme Shareholder will be treated as receiving New Scheme Shares in consideration for the cancellation of their Scheme Shares which may, depending on individual circumstances, and subject to any available exemption or relief, give rise to a chargeable gain or allowable loss for the purposes of UK taxation on chargeable gains.

Application was made to HMRC under section 138 of the Taxation of Chargeable Gains Act 1992 to request confirmation that, based on the particulars of the Scheme, these conditions will be met. This confirmation has now been obtained.

### **3. Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)**

The following statements are intended as a general and non-exhaustive guide to the current UK stamp duty and SDRT position and apply regardless of whether or not a Scheme Shareholder is resident in the UK for UK tax purposes. They assume that New Scheme Shares are not issued or transferred to, or to a nominee or an agent for, a person whose business is or included the provision of clearance services or issuing depositary receipts.

No UK stamp duty or SDRT should be payable by Scheme Shareholders as a result of the cancellation of Scheme Shares pursuant to the Scheme or on the issue of New Scheme Shares, in each case, pursuant to the Scheme. Similarly, where New Scheme Shares are credited in uncertificated form to an account in CREST, no liability to stamp duty or SDRT should arise.

## **SECTION B: GUERNSEY TAXATION**

### **1. Introduction**

The information below, which relates only to Guernsey taxation, is for general information purposes only and is a summary of the advice received by New Holdco from its advisers so far as applicable within the context of the Scheme to New Holdco and to investors who hold their interests in New Holdco as an investment. It is not intended to be a comprehensive summary of all technical aspects of the structure, or tax law and practice in Guernsey. It is not intended to constitute legal or tax advice to investors. The information below is based on current Guernsey tax law and published practice which is, in principle, subject to any change (potentially with retrospective effect). Certain investors, such as dealers in securities, collective investment schemes, insurance companies and persons acquiring their interests in New Holdco in connection with their employment may be taxed differently and are not considered. The tax consequences for each investor of investing in New Holdco may depend on the investor's own tax position and upon the relevant laws of any jurisdiction to which the investor is subject. If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

### **2. Taxation**

No taxation should be payable in Guernsey by New Holdco or the Scheme Shareholders as a result of the implementation of the Scheme.

## PART VII

### HISTORICAL FINANCIAL INFORMATION

#### SECTION A: SELECTED HISTORICAL FINANCIAL INFORMATION FOR EXISTING HOLDCO

The following tables present selected historical financial information of Existing Holdco. The following selected financial data was derived from the Existing Holdco Consolidated Financial Information. This information is only a summary and should be read together with the Existing Holdco Consolidated Financial Information, which has been incorporated by reference into this Circular (see Part XVI (*Information incorporated by reference*)).

#### Summary Profit and Loss Statement and Balance Sheet Information

	<i>Year ending 31 December 2022</i>	<i>Year ending 31 December 2021</i>	<i>Year ending 31 December 2020</i>	<i>Half-year ending 30 June 2023 (unaudited)</i>	<i>Half-year ending 30 June 2022 (unaudited)</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Profit After Tax	26,361	30,318	20,701	17,459	13,745
Earnings per Share	62.1p	86.0p	56.5p	26.6p	39.1p

#### Summary Balance Sheet Information

	<i>Year ending 31 December 2022</i>	<i>Year ending 31 December 2021</i>	<i>Year ending 31 December 2020</i>	<i>Half-year ending 30 June 2023 (unaudited)</i>	<i>Half-year ending 30 June 2022 (unaudited)</i>
Net Asset Value	577,539	359,342	357,232	578,806	354,218

## SECTION B: SELECTED HISTORICAL FINANCIAL INFORMATION FOR THE POLLEN STREET GROUP

The following tables present selected historical financial information of the Pollen Street Group. The following selected financial data was derived from the Pollen Street Audited Consolidated Financial Information. This information is only a summary and should be read together with the Pollen Street Audited Consolidated Financial Information, which has been (i) incorporated by reference into this Circular for the years ending 31 December 2021 and 31 December 2020 (see Part XVI (*Information incorporated by reference*)); and (ii) set out below for the year ending 31 December 2022 (see Part 1 (*Historical Financial Information for year ended 31 December 2022*)) of this Section B (*Selected Historical Financial Information for the Pollen Street Group*)).

### Summary Profit and Loss Statement Information

	Year ending 31 December 2022 £'000	Year ending 31 December 2021 £'000	Year ending 31 December 2020 £'000
Revenue from contracts with customers	33,314	33,811	27,870
Carried interest income	3,745	–	–
Other income	165	114	113
Administration Expenses	<u>(30,691)</u>	<u>(29,238)</u>	<u>(25,026)</u>
Operating Profit	<u>6,533</u>	<u>4,687</u>	<u>2,957</u>

### Summary Balance Sheet Information

	Year ending 31 December 2022 £'000	Year ending 31 December 2021 £'000	Year ending 31 December 2020 £'000
Total Assets	<u>34,267</u>	<u>32,543</u>	<u>33,270</u>
Total Equity	<u>11,411</u>	<u>4,263</u>	<u>9,113</u>

**PART 1: AUDITED CONSOLIDATED FINANCIAL INFORMATION OF THE POLLEN STREET GROUP FOR YEAR ENDED 31 DECEMBER 2022**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

		<i>For the year ended 31 December</i>	
		<i>2022</i>	<i>2021</i>
	<i>Notes</i>	<i>£'000</i>	<i>£'000</i>
Revenue from contracts with customers	7	33,314	33,811
Carried interest income	13	3,745	–
Other income	7	165	114
<b>Total income</b>		<u>37,224</u>	<u>33,925</u>
Administrative expenses	9	(30,691)	(28,637)
Impairment expense		–	(601)
<b>Operating profit</b>		6,533	4,687
Finance costs	17	(283)	(330)
Interest income	8	5	123
Revaluation gain		–	90
<b>Profit before taxation</b>		6,255	4,570
Tax on profit	14	(1,544)	(3,549)
<b>Profit for the financial year</b>		<u>4,711</u>	<u>1,021</u>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified to profit or loss:</b>			
Foreign currency translation reserve – net of tax		157	(13)
<b>Total other comprehensive (loss)/income for the year</b>		157	(13)
<b>Total comprehensive income for the year</b>		<u>4,868</u>	<u>1,008</u>
<b>Earnings per share (basic and diluted) (£)</b>	15	<u>175.8</u>	<u>38.3</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		<i>As at 31 December</i>	
		<i>2022</i>	<i>2021</i>
	<i>Notes</i>	<i>£'000</i>	<i>£'000</i>
<b>Non current assets</b>			
Investments	12	1,659	1,394
Fixed assets	16	1,414	1,375
Lease assets	17	4,776	5,840
Goodwill	5	1,203	1,203
Deferred tax asset	14	–	955
Receivables	18	2,416	2,245
Carried interest	13	10,187	–
<b>Total non-current assets</b>		<u>21,655</u>	<u>13,012</u>
<b>Current assets</b>			
Receivables	18	9,994	15,274
Cash and cash equivalents	20	2,618	4,257
<b>Total current assets</b>		<u>12,612</u>	<u>19,531</u>
<b>Total assets</b>		<u>34,267</u>	<u>32,543</u>
<b>Current liabilities</b>			
Payables: amounts falling due within one year	19	14,145	14,752
Current income tax payable		586	3,109
<b>Total current liabilities</b>		<u>14,731</u>	<u>17,861</u>
<b>Non-current liabilities</b>			
Payables: amounts falling due after more than one year	19	7,904	10,323
Deferred tax liability	14	120	–
Provisions	17	101	96
<b>Total non-current liabilities</b>		<u>8,125</u>	<u>10,419</u>
<b>Total liabilities</b>		<u>22,856</u>	<u>28,280</u>
<b>Net assets</b>		<u>11,411</u>	<u>4,263</u>
<b>Equity</b>			
Share capital	25	–	–
Share premium	26	5,842	1,143
Capital contribution	26	–	1,075
Retained earnings	26	5,414	2,047
Foreign currency translation reserve		155	(2)
<b>Total equity</b>		<u>11,411</u>	<u>4,263</u>

## CONSOLIDATED STATEMENT OF CHANGES IN INCOME AND EQUITY

	<i>Share capital</i> £'000	<i>Share premium</i> £'000	<i>Capital contribution</i> £'000	<i>Retained earnings</i> £'000	<i>Foreign currency translation reserve</i> £'000	<i>Total equity</i> £'000
<b>At 31 December 2021</b>	–	1,143	1,075	2,047	(2)	4,263
Profit for the year	–	–	–	4,711	–	4,711
Other comprehensive income	–	–	–	–	157	157
Issue of share capital	–	4,699	–	–	–	4,699
Other distributions to shareholders	–	–	–	(584)	–	(584)
Dividends	–	–	(1,075)	(760)	–	(1,835)
<b>At 31 December 2022</b>	–	5,842	–	5,414	155	11,411
	<i>Share capital</i> £'000	<i>Share premium</i> £'000	<i>Capital contribution</i> £'000	<i>Retained earnings</i> £'000	<i>Foreign currency translation reserve</i> £'000	<i>Total equity</i> £'000
<b>At 31 December 2020</b>	–	1,143	1,075	6,884	11	9,113
Profit for the year	–	–	–	1,021	–	1,021
Other comprehensive income	–	–	–	–	(13)	(13)
Dividends	–	–	–	(5,858)	–	(5,858)
<b>At 31 December 2021</b>	–	1,143	1,075	2,047	(2)	4,263



## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December

		2022	2021
	Notes	£'000	£'000
<b>Cash flows from operating activities</b>			
<b>Profit for the year</b>		4,711	1,021
<b>Adjustments for:</b>			
Depreciation of fixed assets	16	305	363
Lease assets depreciation	17	1,065	1,038
Impairment of goodwill	5	–	601
Revaluation of investments and carried interest	12, 13	(4,785)	(90)
Finance costs	17	283	330
Decrease/(increase) in receivables		4,223	(4,053)
(Decrease)/increase in payables		(1,396)	2,248
(Decrease) in provisions		5	–
Taxation charge for the year		1,544	2,810
<b>Cash flows from operating activities</b>		<u>5,955</u>	<u>4,268</u>
Tax paid		(2,993)	–
<b>Net cash flows from operating activities</b>		<u>2,962</u>	<u>4,268</u>
<b>Cash flows from investing activities</b>			
Purchase of investments and carried interest		(1,550)	(804)
Purchase of fixed assets	16	(344)	(72)
Interest received	8	5	123
<b>Net cash used in investing activities</b>		<u>(1,889)</u>	<u>(753)</u>
<b>Cash flows from financing activities</b>			
Repayment of principal portion of lease liabilities		(1,285)	(1,235)
Net interest paid		(284)	(449)
Dividends paid		(1,300)	(5,858)
<b>Net cash used in financing activities</b>		<u>(2,869)</u>	<u>(7,542)</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(1,796)</u>	<u>(4,027)</u>
<b>Cash and cash equivalents at beginning of year</b>	20	<u>4,257</u>	<u>8,297</u>
Foreign exchange gains and losses		157	(13)
<b>Cash and cash equivalents at the end of year</b>	20	<u><u>2,618</u></u>	<u><u>4,257</u></u>

## Notes to the Historical Financial Information

### 1. GENERAL INFORMATION

Pollen Street Capital Holdings Limited (the “Company” and together with its subsidiaries the “Group”) is an independent asset manager with both private equity and credit strategies. The Group possesses a strong and consistent track record within the financial and business services sectors. The Group was established in 2013 as a Guernsey company limited by shares pursuant to The Companies (Guernsey) Law, 2008, with company number 58102. The registered office of the Company is: PO Box 255, Trafalgar Court, Les Bangués, St Peter Port, Guernsey, GY1 3QL. The principal place of business is: 11-12 Hanover Square, London, W1S 1JJ.

### 2. PRINCIPAL ACCOUNTING POLICIES

#### 2.1 Basis of preparation

This historical financial information comprises the financial information of Pollen Street Capital Holdings Limited and its subsidiaries for the year ended 31 December 2022 and the year ended 31 December 2021.

The historical financial information for the year end 31 December 2022 has been prepared in accordance with UK-adopted International Accounting Standards. They comprise standards and interpretations approved by the International Accounting Standards Board (“IASB”) and International Financial Reporting Committee, including interpretations issued by the IFRS Interpretations Committee and interpretations issued by the International Accounting Standard Committee (“IASC”) that remain in effect.

The historical financial information has been prepared on a going concern basis and under the historical cost convention unless otherwise specified within these accounting policies. The Directors believe that the Group is well placed to manage its business risks successfully. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months from the date of approval of this historical financial information. Thus, they continue to adopt the going concern basis of accounting in preparing the historical financial information.

#### 2.2 Change to accounting policies

There were no changes to accounting policies during the year that were applicable to the Group. At the date of authorisation of this historical financial information, the following standards and interpretations have been applied:

#### 2.3 Consolidation

Subsidiaries are investees controlled by the Group. The Group controls an investee if it is exposed to, or has the rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group reassesses whether it has control if there are changes to one or more elements of control.

The Group also assessed the consolidation requirements for the carried interest partnerships and certain underlying entities or Funds which the Group holds as investments.

For carried interest partnerships, the Directors considered the nature of the relationships between the Group, the Funds, the Fund investors, the carried interest partnerships and participants in the carried interest partnerships. The Directors also considered any influence that the Group had in the setup of the carried interest partnerships in order to assess the power to control the carried interest partnerships. It was determined that the carried interest partnerships were setup on behalf of the Fund investors, and that on balance, the Group does not control the carried interest partnerships. Where the Group has in excess of 20 per cent. of the interest in the carried interest partnership the Group is considered to have significant influence. It was therefore determined that these carried interest partnerships are accounted for as associates as explained in the investments in associates section. The key judgemental areas for the accounting of carried interest partnerships are in note 4 – Significant accounting estimates and judgements. The carried interest partnerships are presented in the ‘Carried interest’ line on the Consolidated Statement of Financial Position.

For the Funds managed or advised by the Group, the Directors considered the nature of the relationships between the Group, the Funds and the investors. The Directors also considered any influence that the Group had in the setup of the underlying entities or Funds in order to assess the power to control the underlying entities or Funds. It was determined that the underlying entities or Funds were setup for the investors, and that on balance, the Group does not control the underlying entities or Funds. The Group holds approximately 1 per cent. of the capital in two Funds. It was determined that the Group does not have significant influence over these Funds given the Funds were setup for investors and the Group's interest is minimal.

In the historical financial information, intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the historical financial information. All entities within the Group have co-terminus reporting dates.

Refer to note 22 – Investments in subsidiaries and associates for further details.

## 2.4 Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group measures the non-controlling interests in the acquiree at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

## 2.5 Goodwill

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash-generating unit ("**CGU**") is less than its carrying amount. Any impairment loss recognised on the goodwill are not reversed subsequently. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units ("**CGUs**") or group of CGUs that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A CGU represents the lowest level at which goodwill is monitored for internal management purposes.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

## 2.6 Investments in associates

Associates are entities over which the Group has significant influence, but does not control, generally accompanied by an ownership interest of between 20 per cent. and 50 percent of the voting rights.

The Group acquired carried interest rights during 2022 in the most recent flagship Funds as part of the Combination. The rights are in the form of partnership interests in carried interest partnerships. The Group has between 1 per cent. and 28 per cent. of the total interests in these partnerships. Where the Group has in excess of 20 per cent. interest, the Group is considered to have significant influence over the partnerships and the partnership are considered to be an associate. Income from these associates is presented in the 'Revenue from contracts with customers' line on the Consolidated Statement of Profit or Loss and Other Comprehensive Income and the 'Carried interest' line on the Consolidated Statement of Financial Position.

## 2.7 Foreign currency

The performance of the Company and the Group is managed on a day-to-day basis in Pounds Sterling as the Company and the Group's performance is evaluated in that currency. Therefore, the Directors consider Pounds Sterling as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and is therefore the reporting currency of the Group and the functional currency of the Company.

Transactions involving foreign currencies are converted at the exchange rate prevailing at the date of the transaction and are reported in the Consolidated Statement of Profit or Loss. Foreign currency monetary assets and liabilities are translated into Pounds Sterling at the exchange rate ruling on the year-end date. Foreign exchange differences arising on the translation of foreign operations are recognised in Other Comprehensive Income.

## 2.8 Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## 2.9 Financial assets

### *Initial recognition*

The Group recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at FVTPL, are added to the fair value on initial recognition.

### *Subsequent measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("OCI") or FVTPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

For purposes of subsequent measurement, financial assets are classified in two categories:

- (A) Financial assets at amortised cost
- (B) Financial assets at FVTPL

#### *Financial assets at amortised cost*

The Group's financial assets at amortised cost include cash and cash equivalents and receivables. Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### *Investment assets at Fair Value Through Profit or Loss*

Financial assets at FVTPL are carried in the Consolidated Statement of Financial Position at fair value with net changes in fair value recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income within 'Revaluation gain'.

The Group has certain investments in limited partnerships which the Group had not irrevocably elected to classify at fair value through OCI. Such equity investments are not being held for trading purpose and are subsequently measured at FVTPL. Income distributions on those investments are recognised in 'Revaluation gain' in the Consolidated Statement of Profit or Loss and Other Comprehensive Income when the right of payment has been established.

The Investments held at FVTPL include Equity Assets and Credit Assets. Equity Assets are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of Equity Assets includes investments in Equity Funds managed or advised by the Group.

Credit Assets at FVTPL consist of loans, together with similar investments, made by the Group to counterparties where the contractual cash flows do not meet the requirements of the solely payments of principal and interest test or are otherwise classified at fair value. Examples of Credit Assets include investments in Credit Funds managed or advised by the Group.

Equity Assets and Credit Assets held at FVTPL are valued in accordance with the International Private Equity and Venture Capital Valuation Guidelines ("IPEVCV") effective 1 January 2019 with the latest update in December 2022 as recommended by the British Private Equity and Venture Capital Association.

Purchases and sales of Investment Assets are recognised when the contract for acquisition or sale becomes unconditional.

The Group uses foreign exchange spot, forward and swap transactions to hedge the effect of foreign exchange movements on the Group's income and assets in order to minimise foreign exchange exposure.

Derivative financial instruments are initially measured at fair value on the date on which the derivative contract is entered into and are subsequently measured at fair value at each reporting date. The Group did not designate derivatives as cash flow hedges and so all fair value movements were recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the 'Revaluation gain' line . The fair value of unsettled forward currency contracts is calculated by reference to the market for forward contracts with similar maturities.

IFRS 13 requires the Group to classify its financial instruments held at fair value using a hierarchy that reflects the significance of the inputs used in the valuation methodologies. These are as follows:

- (A) Level 1 – quoted prices in active markets for identical investments;
- (B) Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayments, credit risk, etc.); and
- (C) Level 3 – significant unobservable inputs (including the Group's own assumptions in determining the fair value of investments).

An investment is always categorised as Level 1, 2 or 3 in its entirety. In certain cases, the fair value measurement for an investment may use a number of different inputs that fall into different levels of the fair value hierarchy. The assessment of the significance of a particular input to the fair value measurement requires judgement and is specific to the investment.

The gain on fair value is shown in the 'Revaluation gain' line on the Consolidated Statement of Profit and Loss and Other Comprehensive Income.

#### *Derecognition of financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised when:

- (A) The rights to receive cash flows from the asset have expired, or
- (B) The Group has transferred the financial asset and the transfer qualifies for derecognition under IFRS 9.

#### *Impairment of financial assets*

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For receivables the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### *Expected Credit loss allowance for Receivables*

Receivables consist of trade and other debtor balances and accrued income. Receivables balances are represented by fees receivable for investment fund management and advisory services provided during the year to the Group's customers. The Group's customers are limited partners in the Funds that the Group manages or advises. As such, the Group has detailed and up to date information on the financial position and outlook of its counterparties. Receivable balances are generally collected on a monthly or quarterly basis and are therefore short-term in nature. The Group applies a simplified approach in calculating ECLs and recognises a loss allowance based on lifetime ECLs at each reporting date with consideration of the forward looking information such as macroeconomic variables where this is relevant. Given the historic rate of recoverability is 100 per cent. and the absence of reasons to believe the recoverability pattern will change, management's assessment is that ECL calculated under IFRS 9 would be immaterial at the end of the current and previous reporting periods. Further information as to how the Group manages its credit risk on trade and other receivables is disclosed in note 23. Management will continue to assess the recoverability at each reporting date for changes in the circumstances surrounding the recoverability of the trade and other receivables and recognise an expected credit loss allowance when appropriate.

#### *Expected Credit loss allowance for Cash and Cash Equivalents*

Balances with banks are short-term in nature, are held in reputable institutions and are considered to have a very low risk of credit losses, therefore the ECL was estimated as immaterial.

### *Classification and measurement of financial liabilities*

In both the current period and prior year, financial liabilities are classified and subsequently measured at amortised cost, except for:

- (A) Financial liabilities at FVTPL: this classification is applied to derivatives, financial liabilities held for trading other financial liabilities designated as such at initial recognition. Gains or losses on financial liabilities designated at FVTPL are presented partially in other comprehensive income (the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability, which is determined as the amount that is not attributable to change in market conditions that give rise to market risk) and partially profit or loss (the remaining amount of change in the fair value of the liability). This is unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains and losses attributable to changes in the credit risk of the liability are also presented in the Consolidated Statement of Profit or Loss and Other Comprehensive Income; and
- (B) Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer. In subsequent periods, the Group recognises any expense incurred on the financial liability.

## **2.10 Financial liabilities**

### *Financial liabilities at amortised cost*

The Group's payables are recognised as financial liabilities at amortised cost. The Group did not have interest-bearing financial liabilities (i.e. interest-bearing loans and borrowings) as at the reporting dates.

### *Derecognition of financial liability*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **2.11 Fixed assets**

Fixed assets are shown at cost less accumulated depreciation. Depreciation is calculated by the Group on a straight-line basis by reference to the original cost, estimated useful life and residual value. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. The period of estimated useful life for this purpose is one to three years. Residual values are assumed to be nil.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

Fixtures and fittings	–	3 years
Office equipment	–	3 years
Electric vehicles	–	5 years
Leasehold improvements	–	10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

## 2.12 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

## 2.13 Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and lease assets representing the right to use the underlying assets.

## 2.14 Lease assets

The Group recognises lease assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Lease assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of lease assets includes the amount of lease liabilities recognised, initial direct costs incurred, an estimate of costs to be incurred in restoring the underlying asset to the condition required by the terms and conditions of the lease and lease payments made at or before the commencement date less any lease incentives received. Lease assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

## 2.15 Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable and amounts expected to be paid under residual value guarantees. The lease payments also include payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

## 2.16 Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of low-value assets such as leases of office equipment. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

## 2.17 Carried interest

The Group accounts for carried interest under two methods: carried interest receivable and carried interest assets held at fair value through profit or loss. Carried interest receivable includes carried interest assets obtained by the Group as part of the services that it provides to the funds that it manages. Carried interest assets held at fair value through profit or loss includes carried interest assets acquired by the Group where the Group holds more than 20 per cent. of the interest in the underlying entities.

Carried interest receivable represents a contract asset under IFRS 15 (Revenue from contracts with customers). The carried interest receivable amounts are shown in the 'Carried interest' line on the Consolidated Statement of Financial Position and are typically presented as non-current assets unless they are expected to be received within the next 12 months. The entitlement to carried interest and the amount is determined by the level of accumulated profits exceeding an agreed threshold or hurdle over the lifetime



of each Fund. The carried interest income is recognised when the performance obligations are met. Income is only recognised to the extent it is highly probable that there would not be a significant reversal of any accumulated revenue recognised on the completion of a Fund. The uncertainty of future Fund performance is reduced through the application of discounts in the calculation of carried interest income. Performance fees are generally calculated as a percentage of the appreciation in the net asset value of a Fund above a defined hurdle subject to catch-up provisions and are recognised on an accrual basis when the fee amount can be estimated reliably, and it is highly probable that it will not be subject to significant reversal.

Carried interest assets held at fair value through profit or loss includes carried interest rights acquired by the Group in the most recent flagship Funds as part of the acquisition of Pollen Street Capital Holdings Limited by Pollen Street plc. These rights were not part of the Group prior to the Combination and part of the shares issued to former shareholders of Pollen Street Capital Holdings Limited were in consideration for the fair value of acquiring rights to this carried interest. The rights are in the form of partnership interests in carried interest partnerships. The Group has between 12 and 28 per cent. of the total interests in these partnerships. Where the Group has in excess of 20 percent of the rights, the Group is considered to have significant influence over the partnerships and the partnership are considered to be an associate. Associates are entities in which the Group has an investment and over which it has significant interest, but not control, through participation in the financial and operating policy decision. The Group has elected to measure these associates at fair value through profit or loss as permissible under IAS 28.

The amount is determined by the level of accumulated profits exceeding an agreed threshold or hurdle.

#### **2.18 Cash and Cash Equivalents**

Cash and cash equivalents (which are presented as a single class of asset on the Consolidated Statement of Financial Position) comprise cash at bank including cash that is restricted and held in reserve.

#### **2.19 Taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity, respectively.

Current and deferred income tax charges are calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Group operates and generates income.

#### **2.20 Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **2.21 Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- (A) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- (B) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- (A) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- (B) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income ("OCI") or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

## 2.22 Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- (A) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- (B) When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position.

## 2.23 Dividends

Dividends to shareholders are recognised in the year in which they are paid.

## 2.24 Revenue

The Group has three primary sources of income: management fee income and carried interest income and performance fee income.

Management fee income includes fees charged by the Group to the Funds that it manages for the provision of investment fund management and advisory services. Management fee revenue is shown net of any value added tax. Management fees are earned over a period of time, and are recognised on an accrual basis in the same period in which the service is performed. Management fees are generally calculated at the end of each measurement period as a percentage of Fund assets managed in accordance with individual management agreements or limited partnership agreements. The measurement period varies from fund to fund, but is generally a month or a quarter.

Performance fee income relates to performance fees received for managing Pollen Street plc. The measurement period is on a monthly basis and is recognised on an accrual basis in the same period in which the service is performed. In addition, it also relates to carried interest income received for carried interest that is accounted for as a contract asset under IFRS 15. Refer to note 2.17 for further details.

## 2.25 Pensions

The Group makes contributions into employee personal pension schemes. Once the contributions have been paid, the Group has no further payment obligations. The contributions are recognised as an expense in the profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Consolidated Statement of Financial Position.

## 2.26 Expenses

All expenses are accounted for on an accruals basis.

## 2.27 Segmental reporting

All financial, business and strategic decisions of the Group are made centrally by the Directors. Information is reported to the chief operating decision maker, the board of Directors, on a single-segment basis. While the Group has the ability to analyse its underlying information in different ways, for example by product type, this information is only used to allocate resources and assess performance for the Group as a whole. On this basis, the Group considers itself to be a single-segment asset management business.

Non-current assets of the Group (excluding financial instruments and deferred tax assets) are domiciled mainly in the UK.

Information on geographical split of revenue is provided in note 7.

## 3. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

### Definition of Accounting Estimates

Amendments to IAS 8. In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The Group has early adopted this amendment and it has not had a material effect on the historical financial information.

### Disclosure of Accounting Policies

Amendments to IAS 1 and IFRS Practice Statement 2. In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material'

accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary. The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group's accounting policy disclosures.

#### **4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of historical financial information is in conformity with UK-adopted International Accounting Standards as applicable to companies reporting under those standards which require the Group to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the historical financial information and the reported amounts of income and expenses during the reporting period. IFRS require the Directors, in preparing the Group's historical financial information, to select suitable accounting policies, apply them consistently and make judgements and estimates that are reasonable. The Group's estimates and assumptions are based on historical experience and expectations of future events and are reviewed on an ongoing basis. Although these estimates are based on the Directors' best knowledge of the amount, actual results may differ materially from those estimates.

The significant judgements relate to the application of consolidation accounting principles and determination of associates. These have been explained in the accounting policies section of the notes.

##### **Estimates**

The preparation of the financial information requires management to make estimates that affect the reported amounts in the historical financial information. The estimates of most significance to the historical financial information are detailed below. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

##### *Carried interest*

The Group participates in carried interest in the underlying Funds. Carried interest represents a share of Fund profits through the Group's holdings in carried interest partnerships. The amount is determined by the level of accumulated profits exceeding an agreed threshold or hurdle. The rights are in the form of partnership interests in carried interest partnerships. Carried interest is accounted for as revenue under IFRS 15, where the carried interest is obtained as part of the service that the Group provides to the Funds, and it is held at fair value, where the Group acquired carried interest rights as part of the Combination.

Carried interest income is only recognised under IFRS 15 provided it has been determined as being highly probable that there will not be a significant reversal. The value of carried interest, under this method, has been modelled by assessing the value of the net assets in the Funds as well as the terms of the carried interest arrangements that the Group is a beneficiary of. A discount has been applied to the investments within the underlying funds valuations. This discount is applied to increase the probability that there will not be a significant reversal of income in future years.

Carried interest at fair value has been modelled by estimating the value of the net assets in the Funds as well as terms of the carried interest arrangements that the Group is a beneficiary of. Carried interest includes an embedded option where carried interest holders participate in gains but not losses of the Fund subject to certain hurdles. The value of this option has been modelled using a Black Scholes option valuation model. The option value was found to be material for the Private Equity Funds, which generally hold assets with a higher volatility than Credit Funds. The Group has considered the value of its carried interest positions associated with potential future fund investments and profits but found this to not be material at the reporting date. Note 13 includes sensitivity analysis of the input parameters for the carried interest assets held at fair value though profit or loss. The sensitivities applied are considered to be a reasonable movement in the input.

### *Investment Asset valuation*

The valuation of investments is a key area of estimation and may cause material adjustment to the carrying value of those assets and liabilities. The valuation process is collaborative, involving the finance and investment functions of the Group with the final valuations being reviewed by the Valuation Committee, which is a management-level committee responsible for the oversight of the valuation of investments. The techniques used include earnings multiples, discounted cash flow analysis, the value of recent transactions and the net asset value of the investment. The valuations often reflect a synthesis of a number of different approaches in determining the final fair value estimate. The individual approach for each investment will vary depending on relevant factors that a market participant would take into account in pricing the asset. These might include the specific industry dynamics, the investee's stage of development, profitability, growth prospects or risk as well as the rights associated with the particular security.

Increases or decreases in any of the inputs in isolation may result in higher or lower fair value measurements. Changes in fair value of all investments held at fair value are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Any related interest income, dividend income and finance costs are disclosed separately in the historical financial information. Sensitivity analysis has been performed on the Investment Asset valuations in note 12.

### *Impairment assessment for Goodwill*

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

The Group has recognised goodwill in relation to its acquisition of Pollen Street Capital Credit Limited ("PSCCL"). Goodwill was tested for impairment at the end of the reporting period and no impairment was identified. The cashflows have been forecast three years into the future, where the final year is assigned a terminal value.

As at December 2022, the value in use of goodwill was £39.4 million which is £38.2 million above the goodwill value of £1.2 million presented by the Group. The value in use model has a number of assumptions; the most significant assumptions are the future income projections that are based on Pollen Street Capital Holdings Limited's forecast profit before tax, the discount rate used of 11 per cent., and the long-term growth rate of 2.5 per cent. The future cashflow projections are based on management's best estimate using historical performance and third party data and applying assumptions to future potential funds. The discount rate and long-term growth rates used were based on publicly available information of industry peers.

The following table shows the sensitivity of the value in use to the key inputs:

<i>Group</i>	<i>Sensitivity applied</i>	<i>Increase rate £'000</i>	<i>Decrease rate £'000</i>	<i>Change at which VIU equates to carrying value of goodwill</i>
Profit before tax	+/-10%	3,939	(3,939)	Decrease of 97%
Long-term growth rate	+/-50bps	2,141	(1,911)	Decrease of 13.1%
Discount rate	+/-50bps	(2,278)	2,554	Increase 14.0%

The Group has previously recognised goodwill in relation to its acquisition of Avant. During 2021 the Group reviewed its business plans for the Avant business and concluded that no further trading would be conducted by this entity therefore as at 31 December 2021, the Group impaired the residual goodwill balance of £601,000

### *Leases – Estimating the incremental borrowing rate*

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the lease asset in a similar economic environment. The IBR therefore reflects what the Group would have to pay, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency).

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Note 17 provides further information on the sensitives to the incremental borrowing rate.

### **Judgements**

The preparation of the financial information requires management to make judgements. Management continually evaluates its judgements in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The most significant judgements are discussed below.

### *Consolidation of Group companies*

Determining whether the Group has control of an entity is generally straightforward when based on ownership of the majority of the voting capital. However, in certain instances, this determination will involve significant judgement, particularly in the case of structured entities where voting rights are often not the determining factor in decisions over the relevant activities. This judgement may involve assessing the purpose and design of the entity. It will also often be necessary to consider whether the Group, or another involved party with power over the relevant activities, is acting as a principal in its own right or as an agent on behalf of others.

### *Consolidation of Fund investments*

It was assessed throughout the year whether the Group should consolidate investments in Funds managed or advised by the Group into the results of the Group. Control is determined by the extent of which the Group has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor’s returns.

The Group has assessed the legal nature of the relationships between the Group, the relevant Fund, the general partners and the limited partners. This assessment included carrying out a control assessment of each limited partner in accordance with IFRS 10 (Consolidated Financial Statements) to consider whether the LPs should be consolidated into the historical financial information of the Group. The Group has determined that control over the LPs ultimately resides with the underlying Fund majority investors and that the Group, through the Asset Manager, acts as an agent to the underlying Fund major investors and not as principal. The Group also determined that as the manager, the Group has the power to influence the returns generated by the Fund, but the Group’s interests typically represent only a small proportion of the total capital within each Fund. The Group has therefore concluded that the Group acts as an agent, which is primarily engaged to act on behalf, and for the benefit, of the limited partners rather than to act for its own benefit.

### *Accounting for carried interest partnerships*

Carried interest represents a share of Fund profits through the Group’s holdings in carried interest partnerships. The amount is determined by the level of accumulated profits exceeding an agreed threshold or hurdle. The rights are in the form of partnership interests in carried interest partnerships. The Group has between 1 and 28 per cent. of the total interests in these partnerships.

The Group has undertaken a control assessment of each carried interest partnership in accordance with IFRS 10 (Consolidated Financial Statements) to consider whether they should be consolidated into the Group's results. The Group has considered the nature of the relationships between the Group, the Fund, the Fund investors, the carried interest partnership and participants in the carried interest partnership. The Group has determined that the power to control the carried interest partnerships ultimately resides with the Fund investors and that the Group is therefore an agent and not a principal. This is because the purpose and design of the carried interest partnerships and the carry rights in the Fund are determined at the outset by each Fund's limited partnership agreement, which requires investor agreement and reflects investor expectations to incentivise individuals to enhance performance of the underlying Fund. While the Group has some power over the carried interest partnerships, these powers are limited and represent the best interests of all carried interest holders collectively and hence, these are assessed to be on behalf of the Fund investors.

The Group has assessed the payments and the returns the carried interest holders make and receive from their investment in carried interest and have considered whether those carried interest holders, who are also employees of the Group were providing a service for the benefit of the Group or the investors in the Fund. The Group concluded that the carried interest represents a separate relationship between the Fund investors and the individual employees and that the carried interest represents an investment requiring the individuals to put their own capital at risk and that, after an initial vesting period, continued rights to returns from the investment is not dictated by continuation of employment.

In addition, the Group has also considered the variability of returns for all carried interest partnerships and in doing so have determined that the Group is exposed to variable returns in the range of 1 to 28 per cent. of the partnerships' total interests, with the main beneficiaries of the carried interest partnership variable returns being the other participants. The Group concluded that the carried interest partnership are not controlled by the Group and therefore should not be consolidated.

The Group has also assessed whether the Group has significant influence over the carried interest partnerships under IAS28, Investments in Associates and Joint Ventures. Where the Group has a share of 20 per cent. or more of the rights to the carried interest, the Group is considered to have significant influence and therefore these carried interest partnerships are treated as an associate. Details of the associates are set out in note 22.

#### *Purchase of carried interest*

During the year and prior to completion of the Combination, the Company issued 544 shares to CC Hive LP, a minority shareholder of the Group, as consideration for CC Hive LP transferring carried interest into the Group and relinquishing their rights to carried interest in future funds raised by the Group. The Company recognised the share issuance as an increase in share capital and share premium equivalent £4.7 million, calculated as the product of the number of shares issued by the Company, the conversion ratio of shares in the Company to shares in Pollen Street plc as part of the Combination and the share price of Pollen Street plc effective immediately before the Combination, being 800p per share. The Company recognised the carry purchased from CC Hive LP into the Group at the fair value of the carry calculated in accordance with the Group's valuation methodology described earlier in this note, being £4.1 million. The difference between the value of the shares issued and the value of the carry acquired, being £0.6 million, was accounted for as a distribution to shareholders.

## **5. GOODWILL**

Goodwill relates to the acquisition of PSC Credit Limited ("PSCCL") and AvantCredit of UK, LLC ("Avant") in 2017 and 2018 respectively.

	<i>For the year ended</i>			<i>For the year ended</i>	
	<i>31 December 2022</i>			<i>31 December 2021</i>	
	<i>PSCCL</i>	<i>Total</i>	<i>Avant</i>	<i>PSCCL</i>	<i>Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Opening balance 1 January	1,203	1,203	601	1,203	1,804
Impairment charge	–	–	(601)	–	(601)
Closing balance 31 December	<u>1,203</u>	<u>1,203</u>	<u>–</u>	<u>1,203</u>	<u>1,203</u>

During the year there were no goodwill impairments (2021: £601,000 relating to Avant).

## 6. EMPLOYEES

The following tables show the average monthly number of employees and the Directors during the year.

	<i>For the year ended 31 December 2022</i>	<i>For the year ended 31 December 2021</i>
<b>Average number of staff</b>		
Directors	5	5
Professional staff	75	68
<b>Total</b>	<u>80</u>	<u>73</u>

The following table shows the total staff costs for the period. The total number of employees and Directors as at the reporting date was 80 (31 December 2021: 76).

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<b>Staff costs</b>		
Wages and salaries	20,963	18,584
Social security costs	3,308	2,863
Defined contribution pension cost	123	112
<b>Total</b>	<u>24,394</u>	<u>21,559</u>

## 7. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group's primary source of revenue is management fee income and carried interest and performance fee income. Management fees are charged for investment fund management and advisory services provided during the year and arising from continuing activities. These are normally based on a percentage of the assets under management. Carried interest and performance fees may be earned from some Funds when agreed performance conditions are met. Other income constitutes fees for the Group acting as an agent in certain agreements.

An analysis of revenue by class of business is as follows:

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<b>Revenue</b>		
Management fees	29,135	30,441
Performance fee income	4,179	3,370
Other income	165	114
<b>Total</b>	<u>33,479</u>	<u>33,925</u>



An analysis of revenue by geography is as follows:

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<b>Revenue</b>		
Europe	32,712	33,875
Rest of the world	767	50
<b>Total</b>	<u>33,479</u>	<u>33,925</u>

An analysis of non-current assets by geography is as follows:

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<b>Non-Current Assets</b>		
Europe	21,514	12,567
Rest of the world	141	445
<b>Total</b>	<u>21,655</u>	<u>13,012</u>

## 8. INTEREST INCOME

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
Interest income	5	123

## 9. ADMINISTRATIVE EXPENSES

Administrative expenses comprise:

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
Depreciation	1,327	1,343
Impairment	–	601
Staff costs	24,394	21,559
Property costs	664	606
Other costs	4,306	4,801
One-off exceptional costs	–	328
<b>Total</b>	<u>30,691</u>	<u>29,238</u>

Other costs include legal and professional fees, irrecoverable VAT and recruitment and training costs.

Exceptional costs relate to non-trade related expenses.

## 10. AUDITORS' REMUNERATION

The breakdown of auditors' remuneration is provided below:

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<i>Remuneration fees to PwC LLP</i>		
Fees payable to the Group's auditor for the audit of the Group's annual accounts	180	–
Non-audit fees	–	4
Taxation services	20	42
<b>Total</b>	<u>200</u>	<u>46</u>
	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<i>Remuneration fees to BDO LLP</i>		
Fees payable to the Group's auditor for the audit of the Group's annual accounts	–	91
Non-audit fees	15	24
Taxation services	–	25
<b>Total</b>	<u>15</u>	<u>140</u>

In 2022, the Group changed auditor from BDO LLP to PwC LLP. In addition, before appointing PwC LLP as auditor, the Group changed tax advisor from PwC LLP to KPMG LLP.

## 11. CATEGORIES OF FINANCIAL INSTRUMENTS

Financial assets at FVTPL comprise equity investments.

Financial assets measured at amortised cost comprise cash and cash equivalents (note 20) and receivables excluding prepayments and accrued income (note 18).

Financial liabilities measured at amortised cost comprise payables excluding corporation tax, other taxation and social security and deferred income (note 19).

	<i>As presented as at 31 December 2022 £'000</i>	<i>Fair Value as at 31 December 2022 £'000</i>	<i>Fair Value as at 31 December 2021 £'000</i>
<b>Financial assets</b>			
Investments	1,659	1,659	1,394
Carried interest	9,147	9,147	–
Financial assets at amortised cost	12,271	12,271	13,849
<b>Total financial assets</b>	<u>23,077</u>	<u>23,077</u>	<u>15,243</u>
<b>Financial liabilities</b>			
Financial liabilities measured at amortised cost	14,306	14,306	16,139
Lease liabilities	6,293	6,293	7,538
<b>Total financial liabilities</b>	<u>20,599</u>	<u>20,599</u>	<u>23,677</u>

## 12. INVESTMENTS

The investments below show the investments at fair value through profit or loss of the Group. These include equity assets and credit assets.

As at 31 December 2022 the Pollen Street Group had £1,659,000 (31 December 2021: £1,394,000) of investments, comprising of three assets.

The investments were in two funds managed by the Pollen Street Group, which included PSC Credit (T) with a value of £869,000 (2021: £604,000) and PSC Plane (Guernsey) LP, with a value of £590,000 (2021: £590,000), and an investment in S64, a company specialising in creating a digital Private Markets Ecosystem for Private Banks and Wealth Managers, with a value of £200,000 (2021: £200,000).

### (A) Investments at fair value through profit or loss

The following table shows the Investments at FVTPL of the Group, which includes both Equity Assets and Credit Assets at FVTPL.

	For the year ended 31 December 2022			For the year ended 31 December 2021		
	Equity assets	Credit assets	Total	Equity assets	Credit assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Opening balance 1 January	790	604	1,394	500	500	
Additions at cost	–	265	265	200	604	804
Revaluations	–	–	–	90	–	90
Closing balance 31 December	790	869	1,659	790	604	1,394

All assets were valued using a “Tangible Net Asset Value” (“TNAV”) multiple. The multiple used is considered to be a significant unobservable input, refer to section c for the sensitivity to this multiple.

### (B) Fair value classification

The Investments are classified as level 3 assets. There were no movements between the fair value hierarchies during the year.

### (C) Sensitivity analysis

The investments are in Equity Assets and Credit Assets, both of which are valued using TNAV. A sensitivity analysis was applied in a scenario where TNAV decreased by 10 per cent.. The impact was a reduction of £166k (2021: £139k) in the value of the Investment Assets at FVTPL.

### (D) Assets and liabilities not carried at fair value but for which fair value is disclosed

	As presented	Fair value			Total
	31 December 2022	Level 1	Level 2	Level 3	
	£'000	£'000	£'000	£'000	£'000
<b>Assets</b>					
Receivables	9,970		9,970	–	9,970
Cash and cash equivalents	2,618	2,618		–	2,618
<b>Total assets</b>	<u>12,588</u>	<u>2,618</u>	<u>9,970</u>	<u>–</u>	<u>12,588</u>
<b>Liabilities</b>					
Financial liabilities measured at amortised cost	14,306	–	14,306	–	14,306
Lease liabilities	6,293	–	6,293	–	6,293
<b>Total liabilities</b>	<u>20,599</u>	<u>–</u>	<u>20,599</u>	<u>–</u>	<u>20,599</u>

	<i>As at 31 December 2021</i>	<i>Level 1 £'000</i>	<i>Level 2 £'000</i>	<i>Level 3 £'000</i>	<i>Total £'000</i>
<b>Assets</b>					
Receivables	17,519	–	17,519	–	17,519
Cash and cash equivalents	4,257	4,257		–	4,257
<b>Total assets</b>	<u>21,776</u>	<u>4,257</u>	<u>17,519</u>	<u>–</u>	<u>21,776</u>
<b>Liabilities</b>					
Financial liabilities measured at amortised cost	16,139	–	16,139	–	16,139
Lease liabilities	7,538	–	7,538	–	7,538
<b>Total liabilities</b>	<u>23,677</u>	<u>–</u>	<u>23,677</u>	<u>–</u>	<u>23,677</u>

*(E) Derivatives*

As at 31 December 2022, the Group had the following notional value of the forward foreign exchange contracts:

	<i>For the year ended 31 December 2022 EUR'000</i>	<i>For the year ended 31 December 2021 EUR'000</i>
Opening notional value 1 January	5,200	–
Movement in notional value	–	5,200
<b>Closing notional value 31 December</b>	<u>5,200</u>	<u>5,200</u>

The Group had no fair value movement in the derivatives during the year (2021: nil).

The fair value for the forward contracts is based off the forward rate curves for the respective currencies.

*(F) Fair value classification of derivatives*

The derivatives are classified as level 2 with a no fair value movement during the year (2021: nil). There were no movements between the fair value hierarchies during the year. The derivatives are valued using market forward rates and are contracts with a third party and so they are not traded on an exchange.

### 13. CARRIED INTEREST

The following table shows the total value of the carried interest held by the Group, which includes both the carried interest at FVTPL and the carried interest receivable:

	<i>As at 31 December 2022 £'000</i>
Carried interest at fair value	9,147
Carried interest receivable	1,040
<b>Total carried interest</b>	<u>10,187</u>

The Group did not hold carried interest as at 31 December 2021.

## Carried interest assets at fair value through profit or loss

### (a) Movements in the year

	<i>For the year ended</i> <i>31 December 2022</i> £'000
Opening balance 1 January	–
Additions at cost	5,402
Carried interest income	3,745
<b>Closing balance 31 December</b>	<b>9,147</b>

The Group did not hold carried interest as at 31 December 2021. The £5,402,000 addition was purchased from shareholders of the Company in both cash and by the issuance of shares in the Company. The cash element amounted to £1,285,092, and the value of shares issued amounted to £4,700,000, of which £584,000 was above the fair value of the carried interest purchased and accounted for as a distribution back to shareholders. Refer to note 4: Judgements for further details.

### (b) Fair value classification of carried interest at fair value through profit or loss

Carried Interest at FVTPL is classified as a level 3 asset. There were no movements between the fair value hierarchies during the year.

### (c) Sensitivity analysis of carried interest at fair value through profit or loss

The table below is the sensitivity impact on the inputs applied to the carried interest assets at FVTPL. The sensitivity parameters are considered reasonable assumptions in the movement in inputs:

<i>Valuation Parameter</i>	<i>Sensitivity Applied</i>	<i>As at 31 December 2022</i>	
		<i>Increase</i> £'000	<i>Decrease</i> £'000
Fund NAV	+/- 10%	4,477	(2,877)
Option volatility	+/- 10%	1,179	(822)
Option time to maturity	+/- 1 Year	1,253	(1,442)
Option risk free rate	+/- 1%	343	(339)

The Group did not hold carried interest as at 31 December 2021

## Carried interest receivable

### Movements in the year

	<i>For the year ended</i> <i>2022</i> £'000
<i>Non current carried interest receivables</i>	£'000
Opening balance 1 January	–
Additions at cost	–
Carried interest income	1,040
<b>Closing balance 31 December</b>	<b>1,040</b>

The Group did not hold carried interest as at 31 December 2021

## 14. TAXATION

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<b>Domestic income tax charge/(credit)</b>		
Current tax on (loss)/profit for the year	549	3,845
Prior period adjustment	(80)	–
<b>Foreign tax charge</b>		
Current tax on (loss)/profit for the year	–	–
Prior period adjustment	–	–
<b>Deferred tax charge</b>		
(Recovered)/charged to the profit or loss	1,075	(296)
<b>Tax on profit or loss reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income</b>	<u>1,544</u>	<u>3,549</u>

### Factors affecting tax charge for the year

The tax assessed for the year is higher (2021: lower) than the standard rate of corporation tax in the UK of 19 per cent. (2021: 19 per cent.). The differences are explained below:

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<b>Domestic income tax charge/(credit)</b>		
Profit/(loss) before tax	6,255	4,570
Profit/(loss) activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(1,189)	(868)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	(15)	(1)
Prior period adjustments	80	21
Profit/loss from LLP not subject to corporation tax	8	(30)
Profits/losses subject to tax in different jurisdictions	–	(301)
Utilisation of tax losses	377	–
Tax arising on priority profit share from the disposal of an investment	–	(2,370)
Adjustments in respect of prior periods (deferred tax)	(212)	–
Remeasurement of deferred tax for changes in tax rates	(87)	–
Movement in deferred tax not recognised	(523)	–
Other	17	–
<b>Total tax charge for the year</b>	<u>(1,544)</u>	<u>(3,549)</u>

## Deferred taxation

	<i>As at</i> 31 December 2022 £'000	<i>Charged to</i> <i>profit or loss</i> £'000	<i>Charged</i> <i>to OCI</i> £'000	<i>As at</i> 31 December 2021 £'000	<i>Charged</i> <i>to profit</i> <i>or loss</i> £'000	<i>Charged</i> <i>to OCI</i> £'000
<b>Components of deferred tax</b>						
Fixed asset	(68)	(68)	–	–	–	–
Deferred bonuses	644	(90)	–	734	350	–
Carried interest	(936)	(936)	–	–	–	–
Investments at FVTPL	(23)	(5)	–	(17)	(17)	–
Lease assets	(1,201)	(91)	–	(1,110)	197	–
Lease liability	1,438	108	–	1,330	(235)	–
Restoration provision	25	7	–	18	1	–
<b>Deferred tax asset/(liability)</b>	<u>(120)</u>	<u>(1,075)</u>	<u>–</u>	<u>955</u>	<u>296</u>	<u>–</u>

## Unrecognised deferred tax assets

Deferred tax assets of £520,541 have not been recognised in respect of losses within Pollen Street Capital (US) LLC, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

## 15. EARNINGS PER SHARE

Basic earnings per share (“EPS”) is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. The Group does not have any dilutive instruments therefore basic and diluted EPS are the same value.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	<i>For the</i> <i>year ended</i> 31 December 2022	<i>For the</i> <i>year ended</i> 31 December 2021
Profit attributable to ordinary equity holders (£'000)	4,711	1,021
Weighted average number of ordinary shares for basic EPS/Weighted average number of ordinary shares adjusted for dilution (units)	<u>26,803</u>	<u>26,667</u>
<b>Basic and diluted EPS (£)</b>	<u>175.8</u>	<u>38.3</u>

## 16. FIXED ASSETS

	<i>Computer equipment £'000</i>	<i>Leasehold Improvements £'000</i>	<i>Fixtures and fittings £'000</i>	<i>Electric Vehicles £'000</i>	<i>Total £'000</i>
Cost					
<b>Opening balance 1 January 2021</b>	427	196	2,507	–	3,130
Additions	51	–	22	–	73
<b>Closing balance 31 December 2021</b>	478	196	2,529	–	3,203
Additions	39	–	–	305	344
<b>Closing balance 31 December 2022</b>	517	196	2,529	305	3,547
Depreciation					
<b>Opening balance 1 January 2021</b>	257	45	1,163	–	1,465
Charge for the year	95	20	248	–	363
<b>Closing balance 31 December 2021</b>	352	65	1,411	–	1,828
Charge for the year	79	20	169	37	305
<b>Closing balance 31 December 2022</b>	431	85	1,580	37	2,133
<b>Net book value</b>					
<b>Closing balance 31 December 2021</b>	126	131	1,118	–	1,375
<b>Closing balance 31 December 2022</b>	86	111	949	268	1,414

## 17. LEASES

The Group leases include office premises where the Group is a tenant, which include fixed periodic rental payments over the fixed lease terms ranging from 1 to 6 years remaining from the reporting date. The total cash outflow over the period in relation to leases was £1,558k (2021: £1,522k). There are no extension and termination options included in the lease agreement.

Set out below are the carrying amounts of lease assets recognised and the movements during the period:

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<i>Lease assets</i>		
<b>Cost</b>		
Opening balance as at 1 January	8,984	8,984
Additions	–	–
<b>Closing balance as at 31 December</b>	8,984	8,984
<b>Accumulated depreciation</b>		
Opening balance as at 1 January	(3,143)	(2,105)
Depreciation expense	(1,065)	(1,039)
<b>Closing balance as at 31 December</b>	(4,208)	(3,144)
<b>Net book value as at 31 December</b>	4,776	5,840

Set out below are the carrying amounts of lease liabilities and the movements during the period.

A provision for restoration costs on lease contracts has been recognised as part of the lease assets acquired.



	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<i>Lease provisions</i>		
<b>Opening balance as at 1 January</b>	96	91
Unwinding of discount	4	4
Arising during the year	<u>1</u>	<u>1</u>
<b>Closing balance as at 31 December</b>	<u><u>101</u></u>	<u><u>96</u></u>

	<i>As at 31 December 2022 £'000</i>	<i>As at 31 December 2021 £'000</i>
<i>Lease liabilities</i>		
<b>Cost</b>		
<b>Opening balance as at 1 January</b>	7,538	8,773
Additions	–	–
Accretion of interest	279	326
Payments	<u>(1,524)</u>	<u>(1,561)</u>
<b>Closing balance as at 31 December</b>	<u><u>6,293</u></u>	<u><u>7,538</u></u>

Set out below are the lease liabilities by maturity.

	<i>As at 31 December 2022 £'000</i>	<i>As at 31 December 2021 £'000</i>
<i>Lease liabilities by maturity</i>		
Due within 3 months	328	269
Due within 12 months	873	1,258
Due within 5 years	4,736	5,655
Due after 5 years	<u>356</u>	<u>356</u>
<b>Total net financial assets/(liabilities)</b>	<u><u>6,293</u></u>	<u><u>7,538</u></u>

The following are the amounts recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income:

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<i>Amount recognised in profit or loss</i>		
Depreciation expense of lease assets	1,065	1,038
Finance costs	<u>283</u>	<u>330</u>
<b>Total amount recognised in profit or loss during the year</b>	<u><u>1,348</u></u>	<u><u>1,368</u></u>

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<i>Finance costs</i>		
Lease liability interest	279	326
Unwinding of discount (on restoration provision)	<u>4</u>	<u>4</u>
<b>Total finance costs</b>	<u><u>283</u></u>	<u><u>330</u></u>

The incremental borrowing rate (“IBR”) has been estimated based on what the lessee would have to pay to borrow over a similar term as the leases at origination of the lease. The rate of the IBR is in line with the interest margin payable on the Group’s debt facilities. If the IBR had been 1 per cent. higher or lower, the impact on the lease liabilities would be as follows:

	<i>As at 31 December 2022 £'000</i>	<i>As at 31 December 2021 £'000</i>
<i>Lease assets</i>		
Increase IBR by 1%	<u>(244)</u>	<u>(292)</u>
Decrease IBR by 1%	<u><u>261</u></u>	<u><u>312</u></u>

	<i>As at 31 December 2022 £'000</i>	<i>As at 31 December 2021 £'000</i>
<i>Lease liabilities</i>		
Increase IBR by 1%	<u>156</u>	<u>215</u>
Decrease IBR by 1%	<u><u>(163)</u></u>	<u><u>(226)</u></u>

## 18. RECEIVABLES

	<i>As at 31 December 2022 £'000</i>	<i>As at 31 December 2021 £'000</i>
Trade receivables	8,614	11,993
Other assets	2,440	2,540
Prepayments and accrued income	<u>1,356</u>	<u>2,986</u>
<b>Total</b>	<u><u>12,410</u></u>	<u><u>17,519</u></u>

Included in trade and other receivables is an amount of £708,000 (2021: £816,473) which is due after more than one year. Included in other assets is an amount of £1,707,982 (2021: £1,428,314) which is due after more than one year.

The other assets relate to fees paid to placement agents for raising investments in underlying funds. The placement agent fees are amortised over the life of the underlying funds.

Apart from the amounts noted in the paragraph above all other receivables are expected to be collected generally on a monthly or quarterly basis.

## 19. PAYABLES

*Amounts falling due within one year*

	<i>As at 31 December 2022 £'000</i>	<i>As at 31 December 2021 £'000</i>
Trade payables	712	664
Other taxation and social security	475	433
Accruals	10,782	12,102
Deferred Income	975	26
Lease liabilities	1,201	1,527
<b>Total</b>	<u>14,145</u>	<u>14,752</u>

Deferred income refers to fees paid by the year end, for which income will be recognised at a later period. The movement for the year is due to revenue from a contract with customers which will be recognised in 2023.

*Amounts falling due after more than one year*

	<i>As at 31 December 2022 £'000</i>	<i>As at 31 December 2021 £'000</i>
Accruals	2,812	4,312
Lease liabilities	5,092	6,011
<b>Total</b>	<u>7,904</u>	<u>10,323</u>

## 20. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash at bank and in hand.

	<i>As at 31 December 2022 £'000</i>	<i>As at 31 December 2021 £'000</i>
<b>Total cash and cash equivalents</b>	<u>2,618</u>	<u>4,257</u>

## 21. ORDINARY DIVIDENDS

The Company issued the following dividends in the years ended 31 December 2022 and 31 December 2021.

	<i>£'000</i>
Interim dividend issued on 27 May 2021	5,858
Interim dividend issued on 24 February 2022	535
Interim dividend issued on 30 September 2022	1,300

The interim dividend issued on 24 February 2022 was settled against a loan to shareholders in February 2022.

## 22. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

There was no contractual arrangement that could require the parent or its subsidiaries to provide financial support to a consolidated structured entity.

### *Investments in consolidated structured entities*

The consolidated financial information of the Group includes the following direct and indirect subsidiaries:

<i>Name</i>	<i>Country of incorporation</i>	<i>Class of shares</i>	<i> Holding</i>	<i>Activity</i>
Avant Credit of UK, LLC	USA	Ordinary	100%	Lending company
Financial Services Infrastructure Limited	UK	Ordinary	100%	Dormant
Honeycomb Finance Limited	UK	Ordinary	100%	Lending company
Pollen Street Capital (US) Holdings LLC	USA	Ordinary	100%	Holding company
Pollen Street Capital (US) LLC	USA	Ordinary	100%	Investment management services
Pollen Street Capital Limited	UK	Ordinary	100%	Investment management services
PollenUp Limited	UK	Ordinary	100%	Dormant
PSC 3 Funding Limited	UK	Ordinary	100%	Dormant
PSC Accelerator GP Limited	Guernsey	Ordinary	100%	General partner
PSC Accelerator Nominee Limited	Guernsey	Ordinary	100%	Nominee
PSC Credit (OE) I GP S.a.r.l	Luxembourg	Ordinary	100%	General partner
PSC Credit (P) GP S.a.r.l	Luxembourg	Ordinary	100%	General partner
PSC Credit (T) GP S.a.r.l	Luxembourg	Ordinary	100%	General partner
PSC Credit Holdings LLP	UK	Capital contribution	100%	Investment management services
PSC Credit III GP S.a.r.l	Luxembourg	Ordinary	100%	General partner
PSC Credit Limited	Cayman	Ordinary	100%	Holding company
PSC Digital Limited	UK	Ordinary	100%	Holding company
PSC III Carry GP Limited	UK	Ordinary	100%	General partner
PSC III G GP Limited	Guernsey	Ordinary	100%	General partner
PSC III GP Limited	UK	Ordinary	100%	General partner
PSC Income Fund I GP LLC	USA	Ordinary	100%	General partner
PSC Investments (Q) GP Limited	UK	Ordinary	100%	General partner
PSC IV GP Limited	Guernsey	Ordinary	100%	General partner
PSC IV GP S.a.r.l	Luxembourg	Ordinary	100%	General partner
PSC Marlin GP Limited	Guernsey	Ordinary	100%	General partner
PSC Nominee 1 Limited	UK	Ordinary	100%	Dormant
PSC Nominee 3 Limited	UK	Ordinary	100%	Dormant
PSC Nominee 4 Limited	Guernsey	Ordinary	100%	Nominee
PSC Plane GP (Guernsey) Limited	Guernsey	Ordinary	100%	General partner
PSC Saturn G GP Limited	Guernsey	Ordinary	100%	General partner
PSC Service Company Limited	UK	Ordinary	100%	Service company
PSC SPV I GP LLC	USA	Ordinary	100%	General partner
PSC US Credit GP MM LLC	USA	Ordinary	100%	General partner
Saturn GP Limited	Guernsey	Ordinary	100%	General partner
SOF Annex Nominees Limited	UK	Ordinary	100%	Dormant
SOF General Partner (Guernsey) Limited	Guernsey	Ordinary	100%	General partner
SOF General Partner (Scotland) II Limited	UK	Ordinary	100%	General partner
SOF General Partner (UK) Limited	UK	Ordinary	100%	General partner
Special Opportunities Fund General Partner (Cayman) Ltd	Cayman	Ordinary	100%	General partner

All shares held in the Group's subsidiaries represent ordinary shares.

### *Investments in unconsolidated structured entities*

The Group has interests in a number of entities who act as general partner to a number of Funds structured as limited partnerships. The limited partnerships are not treated as subsidiary undertakings of the Group because the rights of the general partners are exercised on behalf of other investors in the limited partnerships and, being fiduciary in nature, are not considered to result in power over the relevant activities of the limited partnerships. As such, the Group is considered an agent.

The list of such limited partnerships in which the Group has an interest at 31 December 2022 are:

<i>Partnership</i>	<i>Jurisdiction</i>
PSC Accelerator Carry LP	Guernsey
PSC Accelerator LP	Guernsey
PSC Credit (P) SCSp	Luxembourg
PSC Credit (T) Carry SCSp	Luxembourg
PSC Credit (T) SCSp	Luxembourg
PSC Credit Carry SCSp	Luxembourg
PSC Credit III (A) SCSp	Luxembourg
PSC Credit III (B) SCSp	Luxembourg
PSC Glebe LP	Guernsey
PSC III Carry LP	UK
PSC III G, LP	Guernsey
PSC III LP	UK
PSC III Pooling LP	Canada
PSC Investments (C) LP	Guernsey
PSC Investments (Q) LP	UK
PSC Investments B LP	UK
PSC Investments LP	UK
PSC IV (B) LP	Guernsey
PSC IV (C) SCSp	Luxembourg
PSC IV Carry, LP	Guernsey
PSC IV Partners LP	Guernsey
PSC IV, LP	Guernsey
PSC Marlin LP	Guernsey
PSC Neptune LP	Guernsey
PSC Plane (Guernsey) LP	Guernsey
PSC Plane Carry LP	Guernsey
PSC US Badger LLC	Delaware
PSC US Buckeye LLC	Delaware
PSC US Wolverine LLC	Delaware
PSC Venus LP	Guernsey
PSCM Carry LP	Guernsey
PSCM Pooling LP	Guernsey
SOF Carry LP	Guernsey
Special Opportunities Fund (Guernsey) LP	Guernsey
Special Opportunities Fund A LP	UK
Special Opportunities Fund B LP	UK
Special Opportunities Fund C LP	UK
Special Opportunities Fund D LP	UK
Special Opportunities Fund Employee LP	Cayman
Special Opportunities Fund F LP	UK
Special Opportunities Fund G LP	UK
Special Opportunities Fund S1 LP	UK
Special Opportunities Fund S2 LP	UK

The maximum exposure to loss for investments in unconsolidated limited partnerships is the carrying amount of any investments in limited partnerships and loss of future fees. As at 31 December 2022 the carrying amount shown in the Carried interest line on the Statement of Financial Position was £10.2 million (31 December 2021: nil)

#### *Associates*

The Group accounts for investments in carried interest partnerships that give the Group significant influence, but not control, through participation in the financial and operating policy decisions, as associates at FVTPL. Information about the Group's investments in associates measured at fair value is shown below.

The table below shows the carried interest partnerships that are accounted for as associates by the Group. The carried interest partnerships appear as part of Carried interest in the Group's Consolidated Statement of Financial Position.

Associates	PSC IV	PSC Accelerator	PSC Credit	PSC US	PSC US	PSC US	PSC Credit
	Carry LP	Carry LP	Ill Carry SCSp	Badger LLC	Wolverine LLC	Buckeye LLC	(T) SCSp
	<i>As at 31 December 2022</i>						
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Carried interest	29,414	3,819	1,467	44	405	101	405
Country of incorporation	Guernsey	Guernsey	Luxembourg	USA	USA	USA	Luxembourg
Group's interest in the associate	25%	26%	28%	25%	25%	25%	28%

The Group had no associates during 2021.

## 23. RISK MANAGEMENT

The Group's business is exposed to a variety of financial risks. The financial risks are categorised as credit risk, operational risk, business risk, market risk and liquidity risk. The Group has established a risk management framework to manage its exposure to these risks. The objective of the framework is to identify and assess the risks facing the Group and to minimise the potential adverse effects of these risks on the Group's financial performance. Financial risk management is overseen by the Directors.

### *Credit risk*

Credit risk is the risk of suffering financial loss should the Group's customers, clients or counterparties fail to fulfil their contractual obligations to the Group. The Group's credit risk arises from non-payment by trade receivables or default by banking counterparties. The Group's policy is to place cash deposits only with financial institutions which satisfy minimum ratings and other criteria set by the Group. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and thereby mitigate the possibility of financial loss through counterparty failure. Trade and other receivables are represented by the counterparties that are known to the Group and are normally expected to be settled in full in the short term. The Group's customers are the limited partners in the Funds that the Group manages or advises as such the Group has detailed and up to date information on the financial position and outlook of its Funds, which are all considered to be strong. There is no history of non-payments by the Group's receivables and there are no past due receivables as at the reporting dates. Refer to note 18 and note 20 for details of the Group's credit risk exposure.

### *Operational risk*

Operational risk is the risk that the firm suffers a loss as a result of the failure of internal systems, processes or procedures caused by either external or internal factors. The Group has undertaken a detailed risk assessment process by business area and risk area, identified the potential impact, potential mitigation and residual risk impact, along with any future actions that can improve the overall risk position. Operational risk is mitigated because the Group is the beneficiary of insurance policies to protect them from a number of these risk events such as civil liability insurance. The Group does not quantify its exposure to operational risk.

### *Business risk*

Business risk is the risk that the firm may not be able to carry out its business plan or strategy. The Group operates a relatively simple business model where much of the income and expenditure is stable. The risk is mitigated by monitoring its income and controlling its expenditure. The Group does not quantify its exposure to business risk.

### *Market risk*

Market risk is the risk that the firm suffers a loss as a result of fluctuations in the values of, or income from, assets or in interest or exchange rates. Financial instability, macroeconomic deterioration and monetary and fiscal stress also increased during the year. Inflation is becoming an important concern for both experts and the general public and the increase in interest rates in the UK, and globally, has fuelled social tensions and

destabilised markets further. We continue to monitor our exposure and make amendments to our strategy where required.

The Group's functional currency is Pound Sterling and therefore it can be exposed to the effect of fluctuations in currencies other than Pound Sterling. The Group is not subject to material market risk, other than the risk of change of fair value of its investments (note 12) and of its carried interest (note 13). Refer to note 12c for sensitivity analysis of the Group's investments, note 13c for sensitivity analysis of the Group's carried interest positions and note 12e for the Group's foreign exchange derivative exposure.

#### Liquidity risk

Liquidity risk is the risk that the Group will have insufficient liquid resources available to meet its financial obligations as they fall due. The Group manages liquidity by maintaining sufficient cash with banks to meet its on-going commitments. The table below shows the maturity analysis of financial assets and liabilities.

#### Financial assets and liabilities maturity analysis

	As at 31 December 2022 £'000	As at 31 December 2021 £'000
<b>Financial assets</b>		
Due within 3 months	8,550	9,080
Due within 12 months	1,891	4,341
Due within 5 years	12,636	4,233
Due after 5 years	–	–
<b>Total financial assets</b>	<b>23,077</b>	<b>17,654</b>
<b>Financial liabilities</b>		
Due within 3 months	10,869	865
Due within 12 months	2,933	13,532
Due within 5 years	6,429	10,068
Due after 5 years	368	1,623
<b>Total financial liabilities</b>	<b>20,599</b>	<b>26,088</b>
<b>Net financial assets/(liabilities)</b>		
Due within 3 months	(2,319)	8,215
Due within 12 months	(1,042)	(9,191)
Due within 5 years	6,207	(5,835)
Due after 5 years	(368)	(1,623)
<b>Total net financial assets/(liabilities)</b>	<b>2,478</b>	<b>(8,434)</b>

## 24. CAPITAL RISK MANAGEMENT

The capital structure of the Group consists of equity attributable to equity holders of the Group, comprising issued capital and reserves.

	As at 31 December 2022 £'000	As at 31 December 2021 £'000
Share capital	–	–
Share premium	5,842	1,143
Capital contribution	–	1,075
Retained earnings	5,414	2,047
Foreign currency translation reserve	155	(2)
<b>Closing balance 31 December</b>	<b>11,411</b>	<b>4,263</b>

The Group's objective when managing capital is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the Group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The Group manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets and strategic plans. In order to maintain the capital structure, the Group may adjust the amount of dividends paid to the shareholder, repurchase shares issued and issue new shares.

Certain entities within the Group are subject to minimum regulatory capital requirements. These are monitored carefully by management to ensure they are complied with at all times. These requirements were met during the reporting periods.

## 25. SHARE CAPITAL

The Group has issued shares in four share classes: A and B shares rank equally for voting, dividends and distribution of assets on winding up. C shares have equal voting rights as compared to A and B shares and double rights for dividends and assets distribution, D shares have equal voting rights to shares A, B and C and no rights for dividends and assets distribution on winding up.

The figures below are stated in units.

	<i>For the year ended 31 December 2022</i>	<i>For the year ended 31 December 2021</i>
<i>No. Issued, allotted and fully paid ordinary shares of £0.01 each</i>		
Opening number of shares as at 1 January	26,667	26,667
Shares issued during the year	544	–
<b>Closing number of shares as at 31 December</b>	<b>27,211</b>	<b>26,667</b>
Ordinary A shares	–	21,467
Ordinary B shares	–	–
Ordinary C shares	–	2,600
Ordinary D shares	–	2,600
Ordinary shares	27,211	–
<b>Closing number of shares as at 31 December</b>	<b>27,211</b>	<b>26,667</b>

On 30 September 2022, the Group issued 544 shares. All shares were re-designated to ordinary shares and transferred to Pollen Street plc.

## 26. RESERVES

### *Share premium account*

This reserve represents amounts received in respect of shares over and above their nominal value. Share premium increased by £4.7 million during the year, from £1.1 million to £5.8 million. This was due to the issuance of shares in the period.

### *Capital contribution reserve*

This reserve represents additional paid in capital by one of the shareholders that occurred during 2017. It arose due to an irrevocable gift from former shareholders of the Company relating to its acquisition of shares in the Company in 2017. The capital contribution reserve was fully utilised in 2022 for the dividend paid to shareholders.

### *Retained earnings*

This reserve represents all accumulated profits and losses.



## 27. RELATED PARTY TRANSACTIONS

IAS 24 'Related Party Disclosures' requires the disclosure of the details of material transactions between the Group and any related parties.

During the year, the Company purchased carried interest from the Directors of the Company. The consideration paid was £1,285,092.

There were no contracts subsisting during or at the end of the year in which a Director of the Company is or was interested and which are or were significant in relation to the Company's business. There were no other transactions during the year with the Directors of the Company.

For the period from 1 January 2022 to 30 September 2022 the Group received £6.9 million of fees and £2.3 million for the period from 1 October 2022 to 31 December 2022 (2021: £9.7 million) from Pollen Street plc, the Parent. As at 31 December 2022, there was £3.1 million (2021: £4.5 million) receivable from Pollen Street plc. The Company became a subsidiary of Pollen Street plc following the acquisition of Pollen Street Capital Holdings Limited by Pollen Street plc on 30 September 2022.

During the year, the Group carried out foreign exchange transactions with Lumon Risk Management LTD ("Lumon", formerly Infinity International Limited) in relation to EUR hedging transactions. Lumon is owned by a Fund that is managed by the Group. The Group's exposure as at 31 December 2022 is disclosed in note 12.

Pollen Street Capital Partners Limited is considered to be a related party as its Directors collectively exercised control over the Group prior to completion of the Combination. The Group had the following transactions with this entity:

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<i>Pollen Street Capital Partners</i>		
Promissory note and interest	–	530
	<i>As at 31 December 2022 £'000</i>	<i>As at 31 December 2021 £'000</i>
<i>Pollen Street Capital Partners</i>		
Receivables	–	530

### *Key management compensation*

The Directors of Pollen Street Capital Holdings Limited are considered to be the Group's key management. Transactions with key management personnel also constitute related party transactions. The aggregate paid or payable to key management for employee services is shown below:

	<i>For the year ended 31 December 2022 £'000</i>	<i>For the year ended 31 December 2021 £'000</i>
<i>Key management compensation</i>		
Short-term employee benefits (Directors' salaries)	3,234	3,058
Post-employment benefits (Directors' pension contributions)	4	4
<b>Total</b>	<b><u>3,238</u></b>	<b><u>3,062</u></b>

The highest paid Director received £913,462 (2021: £951,316).

**28. CONTROLLING PARTY**

The controlling party is the parent, Pollen Street plc.

**29. SUBSEQUENT EVENTS**

The management of the Group is not aware of any material event which occurred after the reporting date and up to the date of this financial information that require a change or disclosure in this financial information.

**PART 2: ACCOUNTANT'S REPORT IN RESPECT OF THE HISTORICAL FINANCIAL  
INFORMATION OF THE POLLEN STREET GROUP FOR YEAR ENDED 31 DECEMBER 2022**



The Directors  
Pollen Street plc  
11-12 Hanover Square  
London  
United Kingdom  
W1S 1JJ

Liberum Capital Limited (the “**Sponsor**”)  
Ropemaker Place Level 12  
25 Ropemaker Street  
London  
EC2Y 9LY

18 September 2023

Dear Ladies and Gentlemen

**Pollen Street Capital Holdings Limited (the “Company” and together with its subsidiaries, the “Group”)**

We report on the financial information of the Group for the year ended 31 December 2022 set out in Part 1 of Section B of Part VII of the circular dated 18 September 2023 (the “**Circular**”) (the “**Group Financial Information Table**”).

This report is required by item 6.2.3R of the Listing Rules of the Financial Conduct Authority (the “**Listing Rules**”) and is given for the purpose of complying with that item and for no other purpose.

**Opinion on financial information**

In our opinion, the Group Financial Information Table gives, for the purposes of the Circular, a true and fair view of the state of affairs of the Group as at the date stated and of its profits, cash flows and statement of changes in equity for the year ended 31 December 2022 in accordance with UK adopted international accounting standards.

**Conclusions Relating to Going Concern**

We are required to report if we have anything material to add or draw attention to in respect of the Directors’ statement in the Group Financial Information Table about whether the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the Group Financial Information Table and the Directors’ identification of any material uncertainties to the Group’s ability to continue as a going concern over a period of at least twelve months from the date of this Circular.

We have nothing material to add or to draw attention to.

**Responsibilities**

The Directors of Pollen Street plc are responsible for preparing the Group Financial Information Table in accordance with UK adopted international accounting standards.

---

*PricewaterhouseCoopers LLP, 1 Embankment Place, London, WC2N 6RH  
T: +44 (0) 2075 835 000, F: +44 (0) 2072 124 652, www.pwc.co.uk*



It is our responsibility to form an opinion on the Group Financial Information Table and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to shareholders of Pollen Street plc as a result of the inclusion of this report in the Circular to the fullest extent permitted by law, we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 13.3.1R(10)R of the Listing Rules, consenting to its inclusion in the Circular.

### **Basis of Preparation**

The Group Financial Information Table has been prepared for inclusion in the Circular of Pollen Street plc on the basis of the accounting policies set out in note 2 to the Group Financial Information Table.

### **Basis of opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council (“**FRC**”) in the United Kingdom. We are independent in accordance with the Revised Ethical Standard 2019 issued by the FRC as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Group Financial Information Table. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity’s circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Yours faithfully

PricewaterhouseCoopers LLP  
Chartered Accountants

## PART VIII

### UNAUDITED PRO FORMA FINANCIAL INFORMATION

#### SECTION A: UNAUDITED PRO FORMA FINANCIAL INFORMATION FOR THE GROUP

The unaudited pro forma income statement for the year to 31 December 2022 of Existing Holdco set out below has been prepared to illustrate the effect of the Combination on the income statement of Honeycomb as if the Combination had taken place on 1 January 2022.

Each of the adjustments in the unaudited pro forma income statement are expected to have a continuing impact on the Group.

The information has been produced for illustrative purposes only and by its nature addresses a hypothetical situation and, therefore, does not purport to represent what the Group's financial position or results of operations actually would have been if the Combination had been completed on the date indicated, nor does it purport to represent the results of operations for any future period or financial position at any future date. The unaudited pro forma financial information is compiled on the basis set out in the notes below and in accordance with the accounting policies of Existing Holdco for the year ended 31 December 2022. The unaudited pro forma financial information does not constitute financial statements within the meaning of section 434 of the Act. Shareholders should read the whole of this Circular and not rely solely on the unaudited financial information in this Part VIII (*Unaudited Pro Forma Financial Information*). Deloitte's report on the unaudited pro forma financial information is set out in Section B (*Accountants' report on the unaudited pro forma financial information*) of this Part VIII (*Unaudited Pro Forma Financial Information*).

## Pro Forma Statement of Comprehensive Income

	<i>Pollen Street Capital Holdings Limited for the period from 1 January to 30 September</i>			<i>Pro forma income statement for the Group</i>
	<i>Pollen Street plc<sup>(1)</sup></i>	<i>2022<sup>(2)</sup></i>	<i>Adjustments<sup>(3)</sup></i>	<i>the Group</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Management fee income	6,212	21,230	-4,315	23,127
Carried interest & performance fee income	1,578	6,041	-2,307	5,312
Interest income on Credit Assets held at amortised cost	51,986	–	–	51,986
Gains on Investment Assets held at fair value	3,909	–	–	3,909
<b>Total Income</b>	<b>63,685</b>	<b>27,271</b>	<b>-6,622</b>	<b>84,334</b>
<i>Credit impairment release</i>	206	–	–	206
<i>Third-party servicing costs</i>	-2,511	–	–	-2,511
<b>Net Operating Income</b>	<b>61,380</b>	<b>27,271</b>	<b>-6,622</b>	<b>82,029</b>
<i>Administration costs</i>	-19,585	-22,067	6,622	-35,030
<i>Finance costs</i>	-14,517	–	–	-14,517
<b>Operating Profit</b>	<b>27,278</b>	<b>5,204</b>	<b>–</b>	<b>32,482</b>
<i>Depreciation</i>	-322	-1,005	–	-1,327
<i>Amortisation</i>	-160	–	–	-160
<b>Profit Before Tax</b>	<b>26,796</b>	<b>4,199</b>	<b>–</b>	<b>30,995</b>
<i>Tax</i>	-435	-1,109	-5,348	-6,892
<b>Profit After Tax</b>	<b>26,361</b>	<b>3,090</b>	<b>-5,348</b>	<b>24,103</b>

- (1) The Pollen Street plc income statement has been extracted without material adjustment from the consolidated income statement within Pollen Street plc's Annual Report and Accounts for the year ended 31 December 2022. There were no accounting policy adjustments to align to policies adopted by Honeycomb.
- (2) The Pollen Street Capital Holdings Limited income statement has been extracted from the historical financial information of Pollen Street Capital Holdings Limited included in Part 1, Section B of Part VII ("Audited consolidated financial information of the Pollen Street Group for the year ended 31 December 2022") of this investment circular, together with Pollen Street's accounting records. This incorporates earnings from Pollen Street Capital Holdings Limited from 1 January to 30 September 2022. There were no accounting policy adjustments to align to policies adopted by Honeycomb.
- (3) There are management and performance fee arrangements between Pollen Street plc and a subsidiary of Pollen Street Capital Holdings Limited. These fees are eliminated in income and expenses. The implementation of the Scheme will cause Pollen Street plc to lose its investment trust company status, and therefore become fully subject to UK corporate income tax. To illustrate how this adjustment might have affected earnings had the transaction been undertaken on 1 January 2022, the 19 per cent. statutory tax rate, which applied during the year ended 31 December 2022, has been applied to the profit before tax attributable to the Investment Company of £28,146,000. This adjustment is expected to have a continuing impact, although the applicable tax rate is 25 per cent. from 1 April 2023.

No additional depreciation and amortisation charge has been applied for the IFRS 3 Business Combinations fair values of intangible assets and property, plant and equipment, as the fair value adjustments of £0.5m are considered immaterial for the purposes of disclosure in the pro forma.

**SECTION B: ACCOUNTANTS' REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION**





One New Street Square  
London  
EC4A 3HQ

The Board of Directors  
on behalf of Pollen Street Plc  
11-12 Hanover Square  
London  
United Kingdom  
W1S 1JJ

Liberum Capital Ltd  
Ropemaker Place Level 12  
25 Ropemaker Street  
London  
EC2Y 9LY

18 September 2023

Dear Sirs/Mesdames,

### **Pollen Street plc (the “Company”)**

We report on the pro forma financial information in regard of the Honeycomb Investment Trust plc and Pollen Street Capital Holdings Limited combination (the “**Combination**”) (the “**Pro forma financial information**”) set out in Part VIII of the Circular dated 18 September 2023 (the “**Circular**”). This report is required by Annex 20, section 3 of the UK version of the Commission delegated regulation (EU) 2019/980 (the “Prospectus Delegated Regulation as applied by Listing Rule 13.3.1R(3)”) and is given for the purpose of complying with that regulation and for no other purpose.

### **Opinion**

In our opinion:

- (a) the Pro forma financial information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

### **Responsibilities**

It is the responsibility of the directors of the Company (the “**Directors**”) to prepare the Pro forma financial information in accordance with Annex 20 sections 1 and 2 of the Prospectus Delegated Regulation as applied by Listing Rule 13.3.1R(3).

It is our responsibility to form an opinion, as to the proper compilation of the Pro forma financial information and to report that opinion to you in accordance with Annex 20 section 3 of the Prospectus Delegated Regulation as applied by Listing Rule 13.3.1R(3).

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to Ordinary shareholders as a result of the inclusion of this report in the Circular, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Listing Rule 5.4A.6(R), consenting to its inclusion in the Circular.

No reports or opinions have been made by us on any financial information used in the compilation of the Pro forma financial information. In providing this opinion we are not providing any assurance on any source financial information on which the Pro forma financial information is based beyond the above opinion.

**Basis of preparation**

The pro forma financial information has been prepared on the basis described in Part VIII, for illustrative purposes only, to provide information about how the transaction might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial statements for the period ended 31 December 2022.

**Basis of Opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company in accordance with the Financial Reporting Council’s Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards or practices.

Yours faithfully



Deloitte LLP

*Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ, United Kingdom. Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients.*

**PART IX**

**NOTICE OF COURT MEETING**

**Pollen Street Plc**

CR-2023-000879

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES COMPANIES COURT (ChD)

IN THE MATTER OF POLLEN STREET PLC

AND

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an Order dated 26 May 2023 made in the above matters, the Court has given permission for a meeting (the “**Court Meeting**”) to be convened of the holders of ordinary shares of £0.01 each (hereinafter called the “**Existing Holdco Ordinary Shares**”) in Pollen Street plc (hereinafter referred to as “**Existing Holdco**”) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the “**Scheme**”) proposed to be made between Existing Holdco and the holders of Scheme Shares (as defined in the Scheme) and that the Court Meeting will be held at Slaughter and May, One Bunhill Row, London EC1Y 8YY, United Kingdom at 10.30 a.m. (London time) on 11 October 2023 at which place and time all holders of Existing Holdco Ordinary Shares are requested to attend. Unless otherwise defined herein capitalised terms used in this Notice have the meaning given to them in the Scheme.

A copy of the Scheme and a copy of the explanatory statement required to be furnished pursuant to Part 26 of the Companies Act 2006 are incorporated in the document of which this Notice forms part.

Holders of Existing Holdco Ordinary Shares are strongly encouraged to vote at the Court Meeting by appointing the Chair of the Court Meeting as their proxy to attend and vote in their stead.

A blue form of proxy for use at the Court Meeting is enclosed with this Notice.

Completion and return of the blue form of proxy will not prevent a holder of Existing Holdco Ordinary Shares from attending and voting at the Court Meeting (or any adjournment thereof) in person.

In the case of joint holders of an Existing Holdco Ordinary Share, the vote of the senior who tenders a vote, by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the register of members of Existing Holdco in respect of the joint holding.

It is requested that the blue forms of proxy (together with any power of attorney or other authority under which the form is signed, or a notary-certified copy of such power or authority) be returned by post to Existing Holdco’s Registrars, Computershare, at The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, no later than 10.30 a.m. (London time) on 9 October 2023 or, if the Court Meeting is adjourned, by not less than 48 hours before the time for the adjourned Court Meeting.

If the blue form of proxy for the Court Meeting is not lodged by the relevant time, it may be emailed to [externalproxyqueries@computershare.co.uk](mailto:externalproxyqueries@computershare.co.uk) any time up to 30 minutes before the commencement of the Court Meeting or any adjournment thereof. Any blue form of proxy sent to that email address before 10.30 a.m. on 9 October 2023 may be discounted as invalid.

CREST members who wish to appoint the Chair of the Court Meeting as proxy through the CREST electronic proxy appointment service may do so for the Court Meeting and any adjournment(s) thereof by using the procedures described in the CREST manual.

For a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with the specifications of Euroclear UK & International Limited (“**Euroclear**”) and must contain the information required for such instructions, as described in the CREST manual available at [www.euroclear.com](http://www.euroclear.com). The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Existing Holdco’s Registrars, Computershare (CREST ID: 3RA50) by 10.30 a.m. (London time) on 9 October 2023. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which Computershare is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Existing Holdco may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Alternatively, a holder of Existing Holdco Ordinary Shares may register a proxy vote online via the Computershare website: [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) subject to the terms and conditions shown on the website. To do this the shareholder will need the control number, shareholder reference number and PIN shown on their form of proxy.

Only those holders of Existing Holdco Ordinary Shares registered in the register of members of Existing Holdco as at 6.00 p.m. (London time) on 9 October 2023 (the “**Voting Record Time**”) or, in the event that the Court Meeting is adjourned, after 6.00 p.m. on the second business day before the day of any adjourned meeting, shall be entitled to attend or vote in respect of the number of shares registered in their name at the relevant record time. Changes to entries in the relevant register of members after the Voting Record Time or, in the event that the Court Meeting is adjourned, after 6.00 p.m. on the second calendar day before the day of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the Court Meeting.

Any person to whom this notice is sent who is not a member, but who has been nominated under section 146 of the Companies Act 2006 to enjoy information rights (a “**Nominated Person**”) does not have a right to appoint a proxy. A Nominated Person may have a right under an agreement with the relevant member to be appointed or to have somebody else appointed as a proxy for the Court Meeting. If a Nominated Person does not have such a right or has such a right and does not wish to exercise it, he or she may have a right under an agreement with the relevant member to give instructions as to the exercise of voting rights.

Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of the same powers as the corporation could exercise if it were an individual shareholder, provided they do not do so in relation to the same shares.

By the said order, the Court has appointed Robert Sharpe or, failing him, any other Director to act as chair of the Court Meeting and has directed the Chair to report the result of the Court Meeting to the Court.

The Scheme will be subject to the subsequent approval of the Court.

DATED: 18 September 2023

**Slaughter and May**

One Bunhill Row  
London  
EC1Y 8YY  
United Kingdom

*Solicitors for Existing Holdco*

## PART X

### NOTICE OF GENERAL MEETING

# Pollen Street Plc

*(Incorporated and Registered in England and Wales with company number 09899024)*

NOTICE IS HEREBY GIVEN that a general meeting of Pollen Street Plc (“**Existing Holdco**”) will be held at Slaughter and May, One Bunhill Row, London EC1Y 8YY, United Kingdom at 10.45 a.m. (London time) on 11 October 2023 (or so soon thereafter as the meeting of holders of the ordinary shares in Existing Holdco convened by direction of the Court for the same place and date shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolutions.

Resolutions 1, 2 and 3 will be proposed as special resolutions.

Voting on each of the Resolutions will be by way of a poll.

#### Resolutions

##### **Resolution 1 – Scheme of Arrangement**

THAT, subject to the shareholders of Existing Holdco having approved Resolution 2 (as set out in this notice) as special resolutions, for the purpose of giving effect to the scheme of arrangement dated 18 September 2023, between Existing Holdco and the Scheme Shareholders (as defined in the said scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the Chair hereof, in its original form or subject to such modification, addition or condition agreed by Existing Holdco and Pollen Street Group Limited (incorporated and registered in Guernsey with registered number 70165) and approved or imposed by the Court (the “**Scheme**”):

- (A) the Directors of Existing Holdco be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;
- (B) the issued share capital of Existing Holdco be reduced by cancelling and extinguishing all of the Scheme Shares (as defined in the Scheme);
- (C) subject to and conditional upon the Scheme becoming effective, the Scheme Shares (as defined in the Scheme) be de-listed from the Official List maintained by the Financial Conduct Authority in accordance with Part VI of the Financial Services and Markets Act 2000 (the “**Official List**”);
- (D) subject to and forthwith upon the reduction of share capital referred to in Resolution (B) above taking effect and notwithstanding anything to the contrary in the articles of association of Existing Holdco:
  - (i) the reserve arising in the books of account of Existing Holdco as a result of the reduction of share capital referred to in Resolution (B) above be capitalised and applied in paying up in full at par all of such new ordinary shares of one (1) pence each in the capital of Existing Holdco (the “**Intra-Group Shares**”) as shall be equal to the number of Scheme Shares (as defined in the Scheme) cancelled pursuant to Resolution (B) above, which shall be allotted and issued, credited as fully paid, to Pollen Street Group Limited and/or its nominee(s) in accordance with the Scheme; and
  - (ii) conditional upon the Scheme becoming effective in accordance with its terms, the Directors of Existing Holdco be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 to allot the Intra-Group Shares, provided that: (i) the maximum aggregate nominal amount of relevant securities that may be allotted under this authority shall be the aggregate nominal amount of the said Intra-Group Shares referred to in Resolution (D)(i) above; (ii) this authority shall expire (unless previously revoked, varied or renewed) one year following the date of the General Meeting; and (iii) this authority shall be in addition, and without prejudice, to any other authority under the said section 551 previously granted and in force on the date on which this resolution is passed.

### **Resolution 2 – Articles of Association (Amendments in relation to the Scheme)**

THAT the articles of association of Existing Holdco be amended as follows:

By including the following new article as Article 152 immediately following the existing Article 151:

#### **Scheme of Arrangement**

152. Shares not otherwise subject to the Scheme

- (A) In this Article 152, references to the “Scheme” are to the scheme of arrangement between the company and the members dated 18 September 2023 as it may be modified or added to in accordance with its terms, and terms and expressions defined in the Scheme shall have the same meaning when used in this Article 152.
- (B) Notwithstanding any other provision in these Articles, if any Ordinary Share is allotted and issued to any person (a “**New Member**”) other than Pollen Street Group Limited (incorporated under the laws of Guernsey with registered number 70165) (“**PSGL**”) and/or its nominee(s) after the adoption of this Article 152 and on or before the Scheme Record Time (other than any Ordinary Share issued to PSGL or its nominees or any member of its group), such Ordinary Share shall be allotted and issued subject to the terms of the Scheme and shall accordingly be classified as a Scheme Share for the purposes thereof, and any New Member, and any subsequent holder other than PSGL and/or its nominee(s), shall be bound by the terms of the Scheme.
- (C) Subject to the Scheme taking effect, if any Ordinary Share shall be issued after the Scheme Record Time to any New Member, such Ordinary Share shall be allotted and issued on terms that, immediately upon its allotment or issue or, if later, immediately after the Scheme Effective Date, it shall be transferred to PSGL and/or its nominee(s).
- (D) The number of New Holdco Shares to be issued or transferred to the New Member under this Article 152 may be adjusted by the Directors following any variation in the share capital of either the company or PSGL or such other event as the Directors consider fair and reasonable on such adjusted terms as the Directors may determine provided that no such adjustment may be made unless the auditors of the company have confirmed in writing to the Directors that, in their opinion, such adjustment is fair and reasonable, and provided always that any fractions of New Holdco Shares shall be disregarded and shall be aggregated and sold for the benefit of PSGL.
- (E) The consideration for any transfer provided for in Article 152(C) shall be the allotment and issue by PSGL to the New Member of one New Holdco Share, credited as fully paid, for each Ordinary Share so transferred.
- (F) In order to give effect to any transfer required by this Article 152, the Secretary or any person appointed by him may execute and deliver on behalf of the New Member or subsequent holder of their Ordinary Shares a form of transfer in favour of PSGL, and agree for and on behalf of such person to become a member of PSGL. Pending the registration of PSGL as holder of any share to be transferred pursuant to this Article 152, PSGL shall be empowered to appoint a person nominated by the Directors to act as attorney on behalf of any holder of such share in accordance with such directions as PSGL may give in relation to any dealing with or disposal of such share (or any interest therein), exercising any rights attached thereto or receiving any distribution or other benefit accruing or payable in respect thereof and any holder of such shares shall exercise all rights attached thereto in accordance with the directions of PSGL but not otherwise.

### **Resolution 3 – Reduction of share premium account**

THAT the share premium account of Existing Holdco as at 11 October 2023 be cancelled and extinguished.

### **Resolution 4 – Change of listing category**

THAT, subject to the shareholders of Existing Holdco having approved Resolution 1 (as set out in this notice) as a special resolution, the proposed change in listing category whereby Existing Holdco’s shares will be de-listed from the premium segment (closed-ended investment fund) of the Official List and New Holdco’s shares will be admitted to the premium segment (commercial company) of the Official List (the “**Change of Listing Category**”) be and is hereby approved and the directors of Existing Holdco be and are hereby

authorised to cause such Change of Listing Category to be effected and to do and/or procure to be done all such acts or things as they may consider necessary or desirable in connection therewith.

By order of the Board of Existing Holdco.

**Link Company Matters Limited**

*Company Secretary*

18 September 2023

Pollen Street Plc  
11-12 Hanover Square  
London W1S 1JJ  
United Kingdom

*Registered in England and Wales, company number 09899024*

## IMPORTANT NOTES TO THE NOTICE OF GENERAL MEETING

The following notes explain your general rights as a shareholder and your right to vote at this General Meeting or to appoint someone else to vote on your behalf:

1. To be entitled to vote at the General Meeting (and for the purpose of the determination by Existing Holdco of the number of votes they may cast), shareholders must be registered in the register of members of Existing Holdco at 6.00 p.m. on 9 October 2023 (or, in the event of any adjournment, 48 hours before the time fixed for the adjourned meeting). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to vote at the meeting. Each of the Resolutions to be put to the General Meeting will be voted on by way of a poll.
2. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the General Meeting. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different Ordinary Share or Ordinary Shares held by that shareholder. A proxy need not be a shareholder of Existing Holdco. A Form of Proxy is enclosed with this Notice of General Meeting for use at the General Meeting. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact our Registrar, Computershare, on +44 (0)370 707 4023. Lines are open from 8.30 a.m. to 5.30 p.m., Monday to Friday.
3. In the case of joint registered shareholders, the signature of one holder will be accepted and the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s). For this purpose, seniority will be determined by the order in which the names stand on the register of shareholders in respect of the relevant joint holding (the first named being the most senior).
4. Any person to whom this Notice of General Meeting is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies in notes 2 and 3 do not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of Existing Holdco.
6. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the General Meeting.
7. To be valid, any Form of Proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Existing Holdco's Registrar, at the address shown on the Form of Proxy or in the case of Ordinary Shares held through CREST, via the CREST system, (see note 9 below). As an alternative to completing your hard-copy proxy form, you can appoint a proxy electronically at [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) using the Control Number, SRN and PIN provided on the Form of Proxy. In each case, for proxy appointments to be valid, they must be received by no later than **10.30 a.m. on 9 October 2023**. If you return more than one proxy appointment, either by paper or electronic communication, the one that is received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment of the General Meeting) by using the procedures described in the CREST Manual (available from [www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by Computershare (ID 3RA50) by **10.30 a.m. on 9 October 2023**. For this purpose, the time of receipt will be taken to the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuers agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
10. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this respect, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. Existing Holdco may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that no more than one corporate representative exercises powers in relation to the same shares.
12. As at 13 September 2023 (being the last practicable date prior to the publication of this Circular) Existing Holdco's issued share capital (including treasury shares) consists of 68,922,582 ordinary shares of 1p each, carrying one vote each. 4,712,985 ordinary



shares are held in treasury, representing approximately 6.84 per cent. per cent. of Existing Holdco's issued share capital. Therefore, the total voting rights in Existing Holdco as at 13 September 2023 are 64,209,597.

13. The following documents are available for inspection during normal business hours at the registered office of Existing Holdco on any Business Day from 18 September 2023 until the time of the General Meeting and may also be inspected at the General Meeting venue at Slaughter and May, One Bunhill Row, London EC1Y 8YY, United Kingdom, United Kingdom on the day of the meeting until the conclusion of the meeting:
  - the Existing Holdco Articles (as defined in the "Definitions" section of the Circular);
  - the New Holdco Articles (as defined in the "Definitions" section of the Circular);
  - a comparison document showing all changes made to the Existing Holdco Articles in order to produce the New Holdco Articles;
  - a comparison document showing all changes to be made to the Existing Holdco Articles pursuant to Resolution 2 as set out in the Notice of General Meeting, if approved; and
  - this document.
14. In accordance with section 311A of the Companies Act 2006, the contents of this Notice of General Meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the General Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by Existing Holdco after the date of this notice are available to view and to download on Existing Holdco's website at <https://www.pollenstreetgroup.com/>.
15. The results of the voting at the General Meeting will be announced through a Regulatory Information Service and will appear on Existing Holdco's website at <https://www.pollenstreetgroup.com/>.
16. Save as provided above, any communication with Existing Holdco in relation to the General Meeting, including in relation to proxies, should be sent to Existing Holdco's registrar, Computershare, at The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom. No other means of communication will be accepted. In particular, you may not use any electronic address provided either in this Notice of General Meeting or in any related documents to communicate with Existing Holdco for any purposes other than those expressly stated.

## PART XI

### INFORMATION INCORPORATED BY REFERENCE

The following information is incorporated into this Circular by reference and shall be available to view free of charge on Existing Holdco's website. Where the documents listed below makes reference to other documents, such other documents are not incorporated into and do not form part of this Circular. Parts of the document incorporated by reference which are not set out below are either not relevant or are covered elsewhere in this Circular. Save as expressly referred to herein, neither the content of Existing Holdco's website, nor the content of any website accessible from hyperlinks on Existing Holdco's website, is incorporated into, or forms part of, this Circular.

<i>Reference document</i>	<i>Information incorporated by reference into this Circular</i>	<i>Page number(s) in the reference document</i>
Combination Circular	Part I of Section B ( <i>Historical Financial Information for Pollen Street</i> ) of Part VI ( <i>Financial Information</i> )	124 to 167
Combination Prospectus	Section 5 of Part IX ( <i>Information on the Honeycomb Group</i> )	90 to 91
Existing Holdco 2020 Annual Report	Independent auditor's report Financial statements (including the notes thereto) Reconciliation to Alternative Performance Measures	64 to 73 74 to 82 132 to 134
Existing Holdco 2021 Annual Report	Independent auditor's report Financial statements (including the notes thereto) Reconciliation to Alternative Performance Measures	60 to 67 68 to 76 126 to 128
Existing Holdco 2022 Annual Report	Independent auditor's report Financial statements (including the notes thereto) Reconciliation to Alternative Performance Measures	114 to 125 126 to 207 215 to 219
Existing Holdco 2023 Interim Results	Financial statements (including the notes thereto) Definitions and Reconciliation to Alternative Performance Measures	24 to 48 57 to 59

## DEFINITIONS

The definitions set out below apply throughout this document, unless the context requires otherwise.

<b>“Admission”</b>	means the proposed admission of the New Scheme Shares to the premium listing segment of the Official List for commercial companies of the FCA and the admission to trading of the Ordinary Shares on the London Stock Exchange’s main market for listed securities;
<b>“AIF”</b>	means an Alternative Investment Fund, as defined in the AIFM UK Directive;
<b>“AIFM Directive”</b>	means Directive 2011/61/EU on Alternative Investment Fund Managers;
<b>“AIFM UK Directive”</b>	means the AIFM Directive as implemented in the UK;
<b>“Board”</b>	means the board of directors of Existing Holdco on the date of this document;
<b>“Business Day”</b>	a day (excluding Saturdays, Sundays and public holidays in England and Wales) on which banks generally are open for business in London for the transaction of normal banking business;
<b>“CC Hive”</b>	means CC Hive L.P., an exempted limited partnership having its registered office at Clarendon House, 2 Church Street, Hamilton, HM11 Bermuda;
<b>“Combination”</b>	means the combination of Honeycomb with the Pollen Street Group that completed on 30 September 2022;
<b>“Companies Law”</b>	means The Companies (Guernsey) Law, 2008, as amended;
<b>“Company Secretary”</b>	means the secretary of Existing Holdco, being Link Company Matters Limited, a company incorporated under the laws of England and Wales with company number 05306796 and with its registered address at Central Square, 10th Floor, 29 Wellington Street, Leeds, England, LS1 4DL;
<b>“Concert Parties”</b>	means the Pollen Street Partners and the Pollen Street Senior Managers (including their related trusts and close relatives (each as defined in the Takeover Code)) from time to time and <b>“Concert Party”</b> shall be construed accordingly;
<b>“Conditions”</b>	has the meaning given in section 4 ( <i>Conditions to Implementation of the Scheme</i> ) of Part III ( <i>Explanation of the Scheme and its effects</i> ) of this document;
<b>“Corporate Governance Code”</b>	means the Financial Reporting Council’s UK Corporate Governance Code dated July 2018, as amended and/or restated from time to time;
<b>“Court”</b>	means the High Court of Justice of England and Wales;
<b>“Court Hearing”</b>	means the hearing by the Court to sanction the Scheme pursuant to section 899 of the Companies Act 2006;
<b>“Court Meeting”</b>	means the meeting of the Shareholders to be convened by order of the Court pursuant to section 899 of the Companies Act 2006

	for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment) and any adjournment, postponement or reconvention thereof;
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under section 899 of the Companies Act 2006;
<b>“CREST”</b>	means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations) in accordance with which securities may be held and transferred in uncertificated form;
<b>“CREST Application Host”</b>	means the system that is operated to receive, manage and control the processing of messages by CREST;
<b>“CREST Regulations”</b>	means the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended;
<b>“CTA 2010”</b>	means the Corporation Tax Act 2010;
<b>“Directors”</b>	means each director on the Board as at the date of this document, the names of which are set out in section 1 of Part IV ( <i>Additional Information</i> );
<b>“Disclosure Guidance and Transparency Rules”</b>	means the disclosure guidance and transparency rules and regulations made by FCA pursuant to Part VI of FSMA, as amended from time to time;
<b>“Entity”</b>	means a person that is not a natural person;
<b>“Existing Holdco”</b>	means Pollen Street Plc, a company incorporated under the laws of England and Wales with company number 09899024 and with its registered address at 11-12 Hanover Square, London, United Kingdom, W1S 1JJ;
<b>“Existing Holdco Articles”</b>	means the articles of association of Existing Holdco as at the date of this document;
<b>“Existing Holdco Consolidated Financial Information”</b>	means: <ul style="list-style-type: none"> <li>(i) the audited consolidated financial statements of Existing Holdco for the years ended 31 December 2020, 31 December 2021 and 31 December 2022, as incorporated into this Circular by reference; and</li> <li>(ii) the unaudited consolidated financial statements of Existing Holdco for the six months ended 30 June 2023, as incorporated into this Circular by reference;</li> </ul>
<b>“Existing Relationship Agreement”</b>	means the relationship agreement entered into between Existing Holdco and Lindsey McMurray on 30 September 2022;
<b>“Existing Holdco Statement of Capital”</b>	means the statement of capital (approved by the Court) showing with respect to the Existing Holdco’s share capital, as altered by the Court Order confirming the cancellation of the share capital and reduction of share premium account of Existing Holdco, the information required by section 649 of the Companies Act 2006;
<b>“Euroclear”</b>	Euroclear UK & International Limited;
<b>“FCA”</b>	means the Financial Conduct Authority;

<b>“Forms of Proxy”</b>	means the blue form of proxy for use at the Court Meeting and the white form of proxy for use at the General Meeting both of which accompany this document (and a <b>“Form of Proxy”</b> means either of them as the context requires);
<b>“FSMA”</b>	means the Financial Services and Markets Act 2000;
<b>“General Meeting”</b>	means the general meeting of Shareholders to be convened for the purpose of considering and, if thought fit, passing the Resolutions and the proposals related thereto and any adjournment, postponement or reconvention thereof;
<b>“Group”</b>	Means: (i) at any time prior to the Scheme Effective Date, Existing Holdco and its Subsidiaries from time to time; and (ii) at any time following the Scheme Effective Date, New Holdco and its subsidiaries from time to time (in both cases, excluding, for the avoidance of doubt, any Entity which is a portfolio company of any one or more Pollen Street Fund);
<b>“Honeycomb”</b>	means the business of Existing Holdco (previously named Honeycomb Investment Trust Plc) and its Subsidiaries prior to the completion of the Combination;
<b>“Intra-Group Shares”</b>	means the ordinary shares of £0.01 each in the capital of Existing Holdco to be issued to New Holdco pursuant to the Scheme;
<b>“ISIN”</b>	means International Securities Identification Number;
<b>“Latest Practicable Date”</b>	means 14 September 2023;
<b>“Listing Rules”</b>	means the listing rules made by the FCA under Part 6 of FSMA, as amended from time to time;
<b>“Lock-Up Agreements”</b>	has the meaning given in paragraph 3.4 of Part II ( <i>Letter from Chair of Existing Holdco</i> ) of this document;
<b>“London Stock Exchange”</b>	means the London Stock Exchange Plc, a company incorporated under the laws of England and Wales with registered number 02075721 and having its registered office at 10 Paternoster Square, London, United Kingdom, EC4M 7LS;
<b>“Meetings”</b>	means the Court Meeting and the General Meeting;
<b>“New Holdco”</b>	means Pollen Street Group Limited, a non-cellular company limited by shares incorporated under the laws of Guernsey with registered number 70165 and having its registered office at PO Box 656, East Wing Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3PP;
<b>“New Holdco Articles”</b>	means the articles of incorporation of New Holdco, which will be adopted by New Holdco with effect from and conditional upon the Scheme becoming effective;
<b>“New Holdco Board”</b>	means the board of directors of New Holdco on and from the Scheme Effective Date;
<b>“New Holdco Directors”</b>	means the directors of New Holdco from time to time;
<b>“New Holdco Shareholder”</b>	means a holder of New Holdco Shares (and <b>“New Holdco Shareholders”</b> shall be construed accordingly);

<b>“New Holdco Shares”</b>	means the ordinary shares of £0.01 each in the capital of New Holdco existing from time to time (including, for the avoidance of doubt, the New Scheme Shares);
<b>“New Lock-Up Agreements”</b>	has the meaning given in paragraph 3.4 of Part II ( <i>Letter from Chair of Existing Holdco</i> ) of this document;
<b>“New Relationship Agreement”</b>	means the relationship agreement to be entered into between New Holdco and each of the Concert Parties to be effective on and from the Scheme Effective Date;
<b>“New Scheme Shares”</b>	means the ordinary shares of £0.01 each in the capital of New Holdco, proposed to be issued and allotted as fully paid by New Holdco to the holders of Ordinary Shares in connection with the Scheme;
<b>“Official List”</b>	means the Official List maintained by the FCA pursuant to Part 6 of FSMA;
<b>“Ordinary Shares”</b>	means the ordinary shares of £0.01 each in the issued share capital of Existing Holdco (and <b>“Ordinary Share”</b> shall mean any one of them);
<b>“Overseas Shareholder”</b>	means a Shareholder who is a citizen, resident or national of any jurisdiction outside the United Kingdom;
<b>“Pollen Street”</b>	means the investment management business carried on by Pollen Street Capital Holdings Limited and its Subsidiaries (excluding, for the avoidance of doubt, any business carried on by a portfolio business of any one or more Pollen Street Funds);
<b>“Pollen Street Audited Consolidated Financial Information”</b>	means: <ul style="list-style-type: none"> <li>(i) the audited consolidated financial statements of Pollen Street for the year ended 31 December 2022, as set out in full at Part 1 of Section B (<i>Historical Financial Information for the Pollen Street Group</i>) of Part VII (<i>Historical Financial Information</i>) of this Circular; and</li> <li>(ii) the audited consolidated financial statements of Pollen Street for each of the years ended 31 December 2021 and 31 December 2020, as incorporated into this Circular by reference;</li> </ul>
<b>“Pollen Street Funds”</b>	means each of the funds managed by the Pollen Street Group besides Existing Holdco;
<b>“Pollen Street Group”</b>	means PSCH and each of its subsidiaries;
<b>“Pollen Street Partners”</b>	means each of Lindsey McMurray, James Scott, Michael England, Matthew Potter, Howard Garland and Ian Gascoigne;
<b>“Pollen Street Senior Managers”</b>	means each of Julian Dale, Christopher Palmer, Michael Katramados and David Dawson;
<b>“PRA”</b>	means the Prudential Regulation Authority (as defined in FSMA) or its successor from time to time;
<b>“PSCH”</b>	means Pollen Street Capital Holdings Limited;

<b>“Resolutions”</b>	means the resolutions proposed at the General Meeting as set out in the Notice of General Meeting;
<b>“Registrar”</b>	means Computershare Investor Services PLC, a company incorporated in England and Wales under registration number 03498808 and having its registered office at The Pavilions, Bridgewater Road, Bristol, BS13 8AE;
<b>“Scheme Effective Date”</b>	means the date on which the Scheme becomes effective in accordance with its terms;
<b>“Scheme Record Time”</b>	6.00 p.m. on the Business Day immediately prior to the Scheme Effective Date;
<b>“Scheme”</b>	means the scheme of arrangement pursuant to Part 26 of the Act undertaken by Existing Holdco to introduce New Holdco as a new holding company, above Existing Holdco and its Subsidiaries, details of which are out in Part III ( <i>Explanation of the Scheme and its effects</i> ) of with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Existing Holdco;
<b>“Scheme Shares”</b>	<p>means any Ordinary Share:</p> <ul style="list-style-type: none"> <li>(iii) in issue at the date of this Scheme;</li> <li>(iv) (if any) issued after the date of this Scheme and prior to the Voting Record Time; and</li> <li>(v) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time in respect of which the original or any subsequent holder thereof shall be bound by the Scheme or shall by such time have agreed in writing to be bound by the Scheme,</li> </ul> <p>in each case (where the context requires) remaining in issue at the Scheme Record Time, but excluding any Ordinary Share held in treasury, or that is legally or beneficially owned by New Holdco or any of its subsidiaries;</p>
<b>“Shareholder”</b>	means a holder of Ordinary Shares (and “Shareholders” shall be construed accordingly);
<b>“Share Plan”</b>	means the long-term incentive plan of Existing Holdco, and the deferred bonus plan of Existing Holdco;
<b>“Subsidiary”</b>	means with respect to any person, any corporation, limited liability company, partnership, joint venture, or other legal Entity of which such person (either alone or through or together with any other Subsidiary) owns, directly or indirectly, more than 50 per cent. of the stock or other equity interests the holders of which are generally entitled to vote for the election of the board of directors or other governing body of such corporation or other legal Entity;
<b>“Takeover Code”</b>	means the City Code on Takeovers and Mergers;
<b>“UK”</b>	means the United Kingdom;
<b>“UK Corporate Governance Code”</b>	means the 2018 UK Corporate Governance Code published by the Financial Reporting Council, as amended from time to time; and

**“Voting Record Time”**

means 6.00 p.m. on 9 October 2023 or, if either the Court Meeting or General Meeting is adjourned, 6.00 p.m. on the day which is two Business Days prior to the date of the relevant adjourned meeting.



## **ANNEX 1 – KEY DIFFERENCES BETWEEN PREMIUM LISTING (COMMERCIAL COMPANY) AND PREMIUM LISTING (CLOSED-ENDED INVESTMENT FUND)**

The following paragraphs set out the key differences between the requirements applicable to a company with a listing on the “premium listing (commercial company)” segment of the Official List, and a company with a listing on the “premium listing (close-ended investment fund)” segment of the Official List:

1. Companies with a premium listing (commercial company) are required to carry on an independent business as their main activity.
2. Companies with a premium listing (commercial company) are required to ensure that the discretion of its Board to make strategic decisions on behalf of the company has not been limited or transferred to a person outside the Group, and that the Board has the capability to act on key strategic matters in the absence of a recommendation from a person outside the Group.
3. The UK Corporate Governance Code directly applies to companies with a premium listing (commercial company). The Listing Rules require companies to make statements in their annual financial reports regarding their compliance with the UK Corporate Governance Code on a ‘comply or explain’ basis.
4. Companies with a premium listing (commercial company) which have a “controlling shareholder” (i.e., a person who exercises or controls on their own or together with persons with whom they are acting in concert, 30 per cent. or more of the votes able to be cast on all or substantially all matters at general meetings of the listed company) are subject to various provisions (in LR 9.2.2A – 9.2.2H) designed to ensure that the company can operate independently of the controlling shareholder. These provisions extend and complement the regime applicable to “substantial shareholders” which form part of the rules applicable to Related Party Transactions under Chapter 11 of the Listing Rules.
5. Companies with a premium listing (commercial company) are under additional requirements to send circulars to shareholders and to include extra information in the annual reports and accounts, including, by way of example, LR 9.2.2AD confirmations and climate-related disclosures.
6. Companies with a premium listing (commercial company) are subject to a number of further notification obligations to report to the FCA any incidences of the company failing to comply with certain compliance and independence requirements under LR 9.
7. Companies with a premium listing (commercial company) are not required to: (i) invest and manage their assets in a way which is consistent with an object of spreading investment risk, (ii) conduct trading activities which may be significant in the context of the Group as a whole, or (iii) invest in accordance with a published investment policy.
8. There is no requirement for a company with a premium listing (commercial company) to publish and maintain an investment policy containing information regarding the company’s approach to asset allocation, risk diversification, gearing and maximum exposures.
9. Subject to other applicable rules regarding pre-emption rights, companies with a premium listing (commercial company) are not restricted from issuing further shares of the same class as existing shares for cash at a price below the net asset value per share of those shares unless they are first offered *pro rata* to existing holders of shares of that class.
10. Companies with a premium listing (commercial company) are not subject to full or partial restrictions around certain operational activities, including:
  - (a) cross-financing between businesses within which they invest;
  - (b) operating common treasury functions between the relevant company and any investee companies;
  - (c) ‘cross-holding’ more than 10 per cent. of its assets in listed closed-ended investment funds; and
  - (d) making investments through ‘feeder funds’.

11. The board of directors of a company with a premium listing (commercial company) are not required to act fully independently of its investment manager (subject to other applicable rules around controlling shareholders).
12. In addition to those set out above, companies with a premium listing (commercial company) are not required to comply with a number of other miscellaneous continuing obligations imposed by LR 15 intended specifically for closed-ended investment funds with a premium listing.

