

THIS OFFER DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Increased Offer or the action you should take, you should consult an independent financial adviser authorised under the Financial Services and Markets Act 2000 and specialising in advising on the acquisition of shares and other securities if you are resident in the United Kingdom or, if not, seek your own personal financial advice from another appropriately authorised independent financial adviser.

This document and any documents incorporated into it by reference should be read in conjunction with the Original Offer Document sent to CIP Shareholders on 31 January 2022 and the accompanying Form of Acceptance (if you hold CIP Shares in certificated form), which forms part of this document.

If you sell or have sold or otherwise transferred all of your CIP Shares (other than pursuant to the Offer or the Increased Offer), please forward this document and the accompanying documentation, but not any personalised Form of Acceptance, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. These documents should not, however, be forwarded, distributed or transmitted in, into or from any Restricted Jurisdiction. If you have sold or otherwise transferred only part of your holding of CIP Shares, you should retain these documents. If you have recently purchased or otherwise acquired CIP Shares in certificated form, notwithstanding receipt of this document and any accompanying documents from the transferor, you should contact the Receiving Agent, Link Group, by post at Central Square, 29 Wellington Street, Leeds LS1 4DL or by telephone from Link Group on 0371 664 0321 to obtain a personalised Form of Acceptance. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. All valid requests will be dealt with as soon as possible).

The release, publication or distribution of this document and the accompanying Form of Acceptance in, into or from jurisdictions other than Guernsey or the United Kingdom, and the availability of the Increased Offer to CIP Shareholders who are not resident in the United Kingdom, may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document and the accompanying Form of Acceptance comes should inform themselves about, and observe, any applicable restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, CFE disclaims any responsibility or liability for the violation of such restrictions by such persons.

Increased Mandatory Cash Offer

by

CORPORATION FINANCIÈRE EUROPÉENNE S.A.

to acquire the entire issued and to be issued ordinary share capital of

CIP MERCHANT CAPITAL LIMITED

at a price of 60 pence per CIP Share

CIP SHAREHOLDERS WHO HAVE PREVIOUSLY ACCEPTED THE OFFER (AND HAVE NOT WITHDRAWN THOSE ACCEPTANCES) WILL AUTOMATICALLY BE DEEMED TO HAVE ACCEPTED THE TERMS OF THE INCREASED OFFER BY VIRTUE OF THEIR PRIOR ACCEPTANCES AND THEREFORE NEED NOT TAKE ANY FURTHER ACTION.

TO ACCEPT THE INCREASED OFFER IN RESPECT OF CERTIFICATED CIP SHARES, THE FORM OF ACCEPTANCE SHOULD BE COMPLETED, SIGNED AND RETURNED AS SOON AS POSSIBLE AND, IN ANY EVENT, SO AS TO BE RECEIVED BY THE RECEIVING AGENT NOT LATER THAN 1.00 pm (LONDON TIME) ON 1 APRIL 2022 OR, IF EARLIER, THE UNCONDITIONAL DATE.

ACCEPTANCES IN RESPECT OF UNCERTIFICATED CIP SHARES SHOULD BE MADE ELECTRONICALLY THROUGH CREST SO THAT THE TTE INSTRUCTION SETTLES NOT LATER THAN 1.00 pm (LONDON TIME) ON 1 APRIL 2022 OR, IF EARLIER, THE UNCONDITIONAL DATE. IF YOU ARE A CREST SPONSORED MEMBER YOU SHOULD REFER TO YOUR CREST SPONSOR AS ONLY YOUR CREST SPONSOR WILL BE ABLE TO SEND THE NECESSARY TTE INSTRUCTION TO EUROCLEAR.

THE PROCEDURE FOR ACCEPTANCE OF THE INCREASED OFFER IS SET OUT IN PARAGRAPH 13 OF PART I OF THIS DOCUMENT, SECTIONS C AND D OF PART II OF THE ORIGINAL OFFER DOCUMENT (AS AMENDED BY PART 2 OF THIS DOCUMENT) AND, IN RESPECT OF CERTIFICATED CIP SHARES, IS FURTHER DESCRIBED IN THE FORM OF ACCEPTANCE.

Investec Bank plc ('Investec') which is authorised by the PRA and regulated in the United Kingdom by the FCA and PRA, is acting exclusively as financial adviser for CFE and no one else in connection with the Increased Offer and/or other matters described in this document and will not be responsible to anyone other than CFE for providing the protections afforded to clients of Investec or for providing advice in relation to the Increased Offer, the content of this document or any other matter described in this document. Neither Investec nor any of its subsidiaries, branches or 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 Investec in connection with the Increased Offer, this document, any statement contained herein or otherwise.

A copy of this document and the display documents required to be published pursuant to Rule 26.2 of the City Code will be made available, subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, on the website of CFE at <https://cfe-finance.com/public-documents/> by no later than 12 noon (London time) on the day following the date of this document until the end of the Offer Period. For the avoidance of doubt, the content of the website referred to above is not incorporated into and does not form part of this document.

IMPORTANT INFORMATION

Overseas shareholders

The distribution of this document in jurisdictions other than Guernsey or the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Unless otherwise determined by CFE, this document is not being, and will not be, delivered directly or indirectly, in or into any Restricted Jurisdiction. Accordingly, unless otherwise determined by CFE, copies of this document, the Form of Acceptance and any related documents are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) should observe those restrictions and must not mail, or otherwise forward, distribute or send any such documents in or into or from any Restricted Jurisdiction, as doing so may invalidate any purported acceptance of the Increased Offer. Any person (including nominees, trustees and custodians) who would or otherwise intends to, or who may have a legal or contractual obligation to, forward this document, the Form of Acceptance and any related documents to any jurisdiction outside Guernsey or the United Kingdom should inform themselves of, and observe any applicable legal or regulatory requirements of any relevant jurisdiction, seek appropriate advice and read paragraph 12 of the letter from the Chairman of CFE set out in Part II of the Original Offer Document and paragraph 6 of Part II of the Original Offer Document before doing so.

CFE will make the Increased Offer to Restricted Overseas Persons by way of a notice in La Gazette Officielle, which may make reference to the Increased Offer contained in this document and, for this purpose, this document will be made available on CFE's website at <https://cfe-finance.com/public-documents/>.

This document has been prepared in accordance with the City Code and United Kingdom disclosure requirements applicable to Guernsey companies admitted to trading on AIM, and the information disclosed herein 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 the United Kingdom and Guernsey. This document has not been submitted to, or approved by, any regulatory authority of any such jurisdictions.

Notice to US holders of CIP Shares

The Increased Offer is being made for securities of a Guernsey company and CIP Shareholders in the United States should be aware that this document and any other documents relating to the Increased Offer have been or will be prepared in accordance with the City Code and United Kingdom disclosure requirements applicable to Guernsey companies admitted to trading on AIM; the format and style, all of which differ from those in the United States. CIP's and CFE's financial statements, and all financial information that is included in this document or any other documents relating to the Increased Offer, have been or will be prepared in accordance with United Kingdom Generally Accepted Accounting Practice or International Financial Reporting Standards and may not be comparable to financial statements of United States companies.

The directors of CIP are residents of countries other than the United States. As a result, it may not be possible for CIP Shareholders in the United States to effect service of process within the United States upon CIP or their respective officers or directors or to enforce against any of them judgments of the United States predicated upon the civil liability provisions of the federal securities laws of the United States. It may not be possible to sue CIP or their respective officers or directors in a non-US court for violations of the United States securities laws. There is also substantial doubt as to enforceability in the United Kingdom in original actions, or in actions for the enforcement of judgments of US courts, based on the civil liability provisions of United States federal securities laws.

In accordance with the City Code and normal United Kingdom market practice and pursuant to Rule 14e-5(b)(12) under the US Exchange Act, CFE or its nominees or brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, CIP Shares outside the United States, otherwise than pursuant to the Increased Offer. This could be before or during the period in which the Increased Offer remains open for acceptance, such as in open market purchases at prevailing prices or privately negotiated purchases at negotiated prices. Such purchases, or arrangements to purchase, will

comply with all applicable United Kingdom rules, including the City Code, the AIM Rules and the Financial Conduct Authority. In addition, in accordance with the City Code, normal United Kingdom market practice and Rule 14e-5(b)(12) under the US Exchange Act, Investec will continue to act as exempt principal trader in CIP securities on the London Stock Exchange. These purchases may occur in the open market or as privately negotiated transactions.

Information regarding such purchases and activities which is required to be made public in Guernsey and the United Kingdom pursuant to the City Code will be reported to a Regulatory Information Service and will be available to all investors on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in Guernsey and the United Kingdom.

Notice to holders of CIP Shares resident in The Bahamas

This Increased Offer has not been registered with the Securities Commission of The Bahamas, nor have any applications been made to exempt the Increased Offer from the filing of a prospectus with the Securities Commission of The Bahamas under the Securities Industries Act, 2011 and, in the circumstances, no offer to the public to purchase the CIP Shares can occur in The Bahamas.

The Increased Offer may only be accepted by persons resident in The Bahamas that qualify as an “accredited investor” as such term is defined under the Securities Industry Act, 2011 and the Securities Industry Regulations, 2012. In order for a person resident in The Bahamas to accept this Increased Offer he/she/it must certify by way of affidavit that he/she/it qualifies as an accredited investor. The form of such accredited investor affidavit and the certifications that will need to be provided by persons resident in The Bahamas who intend to accept the Increased Offer are set out in Part VI of the Original Offer Document. Persons resident in The Bahamas who intend to accept the Increased Offer but who are unable to give the warranties set out in Part IV of the Original Offer Document may be deemed not to have validly accepted the Increased Offer.

Purchases outside the Increased Offer

CFE may purchase CIP Shares otherwise than under the Increased Offer, such as in the open market or through privately negotiated purchases. Such purchases shall comply with the City Code, the rules of the London Stock Exchange and the applicable laws of Guernsey as well as the articles of association of CIP.

Disclosure requirements of the City Code on Takeovers and Mergers

Under Rule 8.3(a) of the City Code, any person who is “interested” in 1 per cent. or more of any class of “relevant securities” of an offeree company (in this instance, CIP) or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the “offer period” and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person’s interests and short positions in, and rights to subscribe for, any “relevant securities” of each of: (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the “relevant securities” of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person “deals” in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the “dealing” concerned and of the person’s interests and short positions in, and rights to subscribe for, any “relevant securities” of each of: (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously

been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an “interest in relevant securities” of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons “acting in concert” with any of them (see Rules 8.1, 8.2 and 8.4 of the City Code).

Details of the offeree and offeror companies in respect of whose “relevant securities” Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel’s website at www.thetakeoverpanel.org.uk, including details of the number of “relevant securities” in issue, when the “offer period” commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel’s Market Surveillance Unit on +44 (0)20 7638 0129.

Terms in quotation marks in this section (Dealing Disclosure Requirements) are defined in the City Code, which can also be found on the Panel’s website.

Forward-looking Statements

This document, including information included or incorporated by reference in this document, may contain “forward-looking statements” concerning CFE and CIP. All statements other than statements of historical fact may be forward-looking statements. Generally, the words “will”, “may”, “should”, “continue”, “believes”, “expects”, “intends”, “anticipates” or similar expressions identify forward-looking statements. The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the relevant persons abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants and, therefore undue reliance should not be placed on such statements, which speak only as of the date of this document.

No profit forecasts of estimates

No statement in this document is intended as a profit forecast or a profit estimate for any period and no statement in this document should be interpreted or deemed to mean that earnings or earnings per share for CFE or CIP, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for CFE or CIP.

Publication on website and availability of hard copies

Copies of this document, together with all information incorporated into this document by reference to another source will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on CFE’s website (<https://cfe-finance.com/public-documents/>) by no later than 12 noon (London time) on the Business Day following the publication of this document. For the avoidance of doubt, the contents of the website are not incorporated by reference and do not form part of this document.

You may request a hard copy of this document (and/or any information incorporated by reference in this document) by contacting the Receiving Agent, Link Group, on 0371 664 0321. Calls will be charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide advice on the merits of the Increased Offer nor give any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. Any such person may request that all future documents, announcements and information in relation to the Increased Offer should be sent to them in hard copy form.

ACTION TO BE TAKEN TO ACCEPT THE INCREASED OFFER

CIP Shareholders who have previously accepted the Offer (and have not withdrawn those acceptances) will automatically be deemed to have accepted the terms of the Increased Offer by virtue of their prior acceptances and therefore need not take any further action.

The procedure for acceptance of the Increased Offer is set out in paragraph 13 of the letter in Part I of this document.

If you hold your CIP Shares in certificated form (that is, not in CREST), to accept the Increased Offer you must:

1. complete the enclosed Form of Acceptance in accordance with the instructions printed on it; and
2. return the completed Form of Acceptance (along with your share certificate(s) and/or other documents of title) by post or by hand (during normal business hours only) to the Receiving Agent at Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL as soon as possible and, in any event, **so as to be received by no later than 1.00 p.m. (London time) on 1 April 2022 or, if earlier, the Unconditional Date.** If you are posting in the UK, the enclosed reply-paid envelope has been provided for your convenience.

If you hold your CIP Shares in uncertificated form (that is, in CREST), to accept the Increased Offer you must:

1. follow the procedure set out in paragraph 13 of Part I of this document – acceptances should be made electronically through CREST; and
2. **ensure that the TTE Instruction settles as soon as possible and in any event no later than 1.00 p.m. (London time) on 1 April 2022 or, if earlier, the Unconditional Date.** If you hold your CIP Shares as a CREST sponsored member, you should refer to your CREST sponsor as only your CREST sponsor will be able to send the necessary TTE Instruction to Euroclear.

If you require assistance in completing your Form of Acceptance (or wish to obtain an additional Form of Acceptance), or have questions in relation to making an electronic acceptance, please contact the Receiving Agent, Link Group, on 0371664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide advice on the merits of the Increased Offer nor give any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

This document should be read as a whole, together with the information incorporated into it by reference, and, in the case of holders of CIP Shares in certificated form, in conjunction with the Form of Acceptance. CIP Shareholders are recommended to seek financial advice from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if they are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

ACCEPTANCES OF THE INCREASED OFFER SHOULD BE MADE AS SOON AS POSSIBLE AND IN ANY EVENT MUST BE RECEIVED BY NO LATER THAN 1.00 P.M. (LONDON TIME) ON 1 APRIL 2022 OR, IF EARLIER, THE UNCONDITIONAL DATE.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates in the table below are indicative only and may be subject to change, in which event details of the new times and dates will be announced via RNS. References below and in this document to a time of day are to London time.

<i>Event</i>	<i>Time and Date</i>
Announcement of the Offer	14 January 2022
Publication and posting of the Original Offer Document and the Form of Acceptance	31 January 2022
Announcement of the Increased Offer	16 March 2022
Publication and posting of this document	18 March 2022
Longstop Date	1 April 2022
Settlement of cash consideration to CIP Shareholders who accept the Increased Offer	No later than 14 calendar days after the closing date of the Increased Offer

PART I

Letter from the board of CFE

(Incorporated under the laws of Luxembourg with registered number B82680)



Corporation Financière Européenne SA

Directors:

Mario Cordoni	(Founder and Chief Executive Officer)	32 Boulevard Royal
Marco Paternò Castello	(Executive Director)	L-2449
Pierfrancesco Rampinelli-Rota	(Chairman and Non-Executive Director)	Luxembourg

18 March 2022

To CIP Shareholders only

Dear CIP Shareholder,

INCREASED MANDATORY CASH OFFER FOR CIP BY CFE

1. Introduction

On 14 January 2022, CFE unconditionally agreed to acquire 1,091,000 CIP Shares at a price of 55 pence per CIP Share from a single shareholder (the "**Acquisition**"). That purchase has now settled. Following the Acquisition, CFE held a total of 17,490,317 CIP Shares, representing 31.8 per cent. of the issued ordinary share capital, and voting rights, of CIP.

As a result of the Acquisition, under Rule 9 of the City Code, CFE was required to make a mandatory cash offer (the "**Original Offer**") for the CIP Shares not already held by CFE (or any persons acting in concert with it), at a price of 55 pence per CIP Share (such price being no less than the highest price paid by CFE (or any persons acting in concert with it) for any CIP Share during the 12 months prior to the Announcement).

Pursuant to Rule 2.7 of the City Code, on 14 January 2022 CFE announced that it would make the Offer. On 31 January 2022, CFE announced that it had published and sent the Original Offer Document and the Form of Acceptance to CIP Shareholders. On 14 February 2022, CIP sent the CIP Response Document to CIP Shareholders.

On 16 March 2022, CFE announced an increase of the Offer Price to 60 pence per CIP Share. This document, Part II of the Original Offer Document (as amended by Part II of this document) and, if you hold CIP Shares in certificated form, the accompanying Form of Acceptance contain the formal terms of the Increased Offer and certain other information on CFE and CIP. CFE confirms that the financial terms of the Increased Offer are final and will not be increased.

As at close of business on 17 March 2022, being the latest practicable date prior to the posting of this document, CFE had an interest in 19,369,621 CIP Shares, which together with the 69,000 CIP Shares purchased on 16 March 2022, represent approximately 35.3 per cent. of the CIP Shares in issue.

Please read carefully paragraph 13 below which sets out the procedures for acceptance of the Increased Offer.

2. The Increased Offer

CFE notes that between 13 January 2022, the last business day before the Original Offer was announced, and 15 March 2022, being the last practicable date before CFE announced the Increased Offer, the FTSE

AIM All-Share had fallen approximately 15.7 per cent.. In spite of this, and in order to provide CIP Shareholders with the ability to exit their investment in CIP in full for cash, CFE increased its cash offer for the CIP Shares not already held by CFE (or any persons acting in concert with it) to a price of 60 pence per CIP share.

CFE is offering to acquire, on the terms set out or referred to in this document, in Part II of the Original Offer Document (as amended by Part II of this document) and in the Form of Acceptance, all of the CIP Shares on the following basis:

for each CIP Share 60 pence in cash (the “Increased Offer Price”)

The Increased Offer Price values CIP’s fully diluted ordinary share capital at approximately £33.0 million and represents a premium of approximately:

- a 9.1 per cent. increase on the Original Offer Price announced on 14 January;
- 5.3 per cent. to CIP’s share price of 57 pence at the close of business on 15 March 2022, the last business day before the publication of the Increased Offer Announcement;
- 17.6 per cent. to CIP’s share price of 51.0 pence at the close of business on 13 January 2022, the last business day before the Original Offer was announced;
- 22.4 per cent. to CIP’s three month volume weighted average price of 49.0 pence to 13 January 2022, the last business day before the Original Offer was announced;
- 17.5 per cent. to CIP’s six month volume weighted average price of 51.0 pence to 13 January 2022, the last business day before the Original Offer was announced; and
- 13.7 per cent. to CIP’s 12 month volume weighted average price of 52.8 pence to 13 January 2022, the last business day before the Original Offer was announced.

CFE believes that the Increased Offer provides CIP Shareholders with a compelling opportunity to realise full value from their investment in CIP in cash.

The Increased Offer extends to all CIP Shares unconditionally allotted or issued whilst the Increased Offer remains open for acceptance.

CIP Shares to be acquired under the Increased Offer will be acquired fully paid and free from all security interests, liens, equitable interests, charges, encumbrances, rights of pre-emption and other third party rights of any nature whatsoever and together with all rights attaching to them as at 14 January 2022 or subsequently attaching or accruing to them, including voting rights and the right to receive and retain, in full, all dividends and other distributions (if any) declared, made, paid or payable, or any other return of capital made, on or after 14 January 2022, being the date of the Rule 2.7 Announcement.

If any such dividend, distribution or return of value is announced, declared, paid or payable by CIP in respect of the CIP Shares on or after 14 January 2022, CFE will be entitled to reduce the consideration payable under the Proposals by an amount equivalent to such dividend, distribution or return of value. To the extent that CFE exercises its right to reduce the consideration by all or part of the amount of any such dividend, distribution or return of value, CIP Shareholders will be entitled to receive and retain such dividend, distribution or return of value.

Further terms of the Increased Offer are set out in Part II of the Original Offer Document (as amended by Part II of this document) and, in respect of CIP Shares held in certificated form, in the accompanying Form of Acceptance.

The procedure for acceptance of the Increased Offer is set out in paragraph 13 of this letter. The Increased Offer will remain open for acceptance, subject to the provisions of this document, until 1.00 p.m. on 1 April 2022, or, if earlier, the Unconditional Date.

For summary information on certain limited aspects of the UK and Guernsey taxation consequences of accepting the Increased Offer for certain CIP Shareholders resident in the UK or Guernsey for tax purposes, please refer to paragraph 11 of this letter. **If you are in any doubt as to your taxation position, you should consult an appropriately qualified independent professional adviser immediately.**

Acceptances of the Offer shall be deemed to be acceptances of the Increased Offer in accordance with paragraph 4 of Section B of Part II of the Original Offer Document. Therefore, CIP Shareholders who have already validly accepted (and not validly withdrawn) their acceptance of the Offer are not required to take any further action in respect of the Increased Offer.

3. Financial effects of acceptance

The following table sets out, for illustrative purposes only and on the bases and assumptions set out in the notes below, the financial effects of acceptance of the Increased Offer on capital value for an accepting holder of 100 CIP Shares.

Cash consideration for 100 CIP Shares under the Increased Offer	£60.00
Less: Market Value of 100 CIP Shares*	£51.00
Increase in capital value	£9.00
Percentage increase in capital value	17.65%

** Based on the Closing Price of 51.00 pence on 13 January 2022, being the last Business Day prior to the commencement of the Offer Period.*

4. Interests in CIP Shares and level of acceptances of the Offer

On 16 March 2022, being the date on which CFE announced the Increased Offer, CFE had an interest in 19,369,621 CIP Shares, which, together with the 69,000 CIP Shares purchased on 16 March 2022, represent approximately 35.3 per cent. of the CIP Shares in issue.

As at 1.00 pm (London time) on 16 March 2022, being the date on which CFE announced the Increased Offer, CFE had received valid acceptances of the Offer in respect of a total of 686,383 CIP Shares, representing approximately 1.92 per cent. of the issued ordinary share capital of CIP, which CFE may count towards the satisfaction of the Acceptance Condition. So far as CFE is aware, none of these acceptances have been received from persons acting in concert with CFE.

Therefore, the total number of CIP Shares that CFE may count towards the satisfaction of the Acceptance Condition is 20,125,004 CIP Shares, representing approximately 36.6 per cent. of the existing issued ordinary share capital of CIP.

5. Background to and reasons for the Increased Offer

Background to the Increased Offer

CFE became a shareholder in CIP when CIP's shares were admitted to trading on AIM in 2017. At the date of this document, CFE holds 35.3 per cent. of the issued share capital of CIP and is CIP's largest shareholder.

CFE has continued to be supportive of the business since it became a shareholder, however, CIP's ordinary shares have consistently traded at a discount to its net asset value since shortly after admission to trading on AIM and this gap has increased significantly over the last year.

The discount at which CIP's ordinary shares are trading as compared to NAV compares to an average discount of the Association of Investment Companies' (the "AIC") Flexible Investment sector (of which CIP is a constituent) of 12.6 per cent., as at 28 February 2022, the latest monthly figure available prior to the publication of this document. The AIC's UK Smaller Companies sector, a comparable sector for CIP, in CFE's opinion, was trading at an average discount of 10.5 per cent. as at 28 February 2022. CIP Shares have provided a negative total return to shareholders since they were admitted to trading on AIM of 49.0 per cent., as at 13 January 2022 (being the latest practicable date prior to the commencement of the Offer Period); this only takes into account CIP's share price as no dividends have been paid to be shareholders over the period.

It is the opinion of CFE that the principal benefits CIP should expect from its shares being publicly traded, principally access to capital and liquidity for shareholders, are not being achieved and the costs of maintaining the admission to trading on AIM are an inefficient use of CIP's resources. During the financial year ending 31 December 2020, CIP incurred operating costs of approximately £1.2 million, including a fee of approximately £0.8 million paid to CIP's investment manager, resulting in a total expense ratio of

approximately 2.8 per cent. In light of CIP's share price performance, CFE believes that these costs are excessive.

Furthermore, the median daily volume of shares traded in CIP over the six months to 13 January 2022 (being the latest practicable date prior to the commencement of the Offer Period) was 35,587 shares, which implies that it would take 8 days to trade 275,000 shares on market, equivalent to a shareholding of 0.5 per cent. Accordingly, CFE considers that the Increased Offer should be of interest to existing CIP shareholders as it would enable CIP shareholders to exit their investment in full for cash.

Due to the size and market positioning of CFE, it is ideally placed to execute such a transaction and can offer certain value today for CIP's portfolio of assets which it believes represents a compelling opportunity for CIP shareholders to realise a premium to the CIP Share price on 13 January 2022, being the last Business Day prior to the commencement of the Offer Period. CFE believes this is an attractive offer in particular due to the low levels of liquidity in CIP's Shares and hence the challenges shareholders would currently face should they look to sell their entire holdings in the market. CFE has already successfully provided a liquidity opportunity to shareholders by purchasing approximately 28.5 per cent. of the issued share capital of CIP between 50 pence and 59 pence since 26 January 2021.

Reasons for the Offer

As a result of the Acquisition, the percentage of CIP Shares carrying voting rights in which CFE is interested increased to more than 30 per cent. of the voting rights of CIP.

Rule 9 of the City Code requires that where a shareholder, together with persons acting in concert with him, has an interest of not less than 30 per cent., but does not hold more than 50 per cent., of a company's voting share capital, and then acquires an interest in any further shares he is required to make a mandatory cash offer for the entire issued share capital not already owned by him and persons acting in concert with him. As a result of the Acquisition, and pursuant to Rule 9 of the City Code, CFE, is therefore required to make an offer for all the CIP Shares not already owned by it or by persons acting in concert with it.

6. Information on CFE

CFE is an independent investment banking boutique focused around special situation opportunities. It is recognised as a leading non-bank player in the origination of Trade Finance opportunities.

CFE was founded in 2001 and is majority owned by Mario Cordoni, CFE's Chief Executive Officer. Its core offering is in building tailor-made credit-focused portfolios for sophisticated investors. CFE is registered in Luxembourg (registration number B82680) and also has operations in Geneva, London and Monaco.

CFE's investment strategies consist of:

- Private Credit and Special Situations: origination of portfolios of non-performing loans, trade finance claims, corporate bankruptcy claims and other illiquid assets. Where applicable, CFE structures and organises securitisation transactions of assets that it originates.
- Trade Finance: helping clients to access liquidity and manage risk.
- Healthcare Receivables: a low volatility option capitalising on money flow dislocations in Italy.

As at 30 June 2021, CFE had net assets of EUR 317 million (2020: EUR 245 million) and profits after tax of EUR 3.9 million (2020: EUR 3.6 million).

Full acceptance of the Increased Offer (and assuming CIP becomes a wholly owned subsidiary of CFE) would result in the earnings, assets and liabilities of CIP being consolidated into the earnings, assets and liabilities of CFE. The earnings, assets and liabilities of CFE would thereby be increased.

Mario Cordoni (*Founder and Chief Executive Officer*)

Mario Cordoni is the founder and Chief Executive Officer of CFE, a position he has held since 2001, and has more than thirty years' experience in trade finance. Before launching CFE, Mr Cordoni served as Co-Managing Director of Socona Holding, a company operating in metal trading and export financing towards emerging markets. Prior to that, he was the Co-Managing Director of COFIME (Compagnia Finanziaria

Mercantile di Torino), a company specialising in financial and business consultancy to Italian exporters. From the early 1990s, and prior to launching CFE, he was also Managing Director of Metalkomerint Espana SL, a Spanish company trading with metals.

Duccio Duranti (*Head of Business Development*)

Duccio Duranti, CFE's Head of Business Development, joined CFE in 2005. Mr Duranti is a former partner of Swiss-based Virtus Finance SA; an alternative asset management company which specialises in fund advisory services and traditional asset management. Between 1996 and 2001, he held a role at the Russian desk of the FINCO Department at André & Cie SA, Lausanne, where he focused on Trade & Project Finance activities with Russia and CIS countries. Mr Duranti has also worked as Forwarder at Calmon Hill SA, a Lugano-based fertilizers trading company. Early on in his career, he worked at the Bond Option Sales Desk of Credit Lyonnais in Paris.

Your attention is drawn to the financial information relating to the CFE Group incorporated by reference into this document, as set out in Part IV.

7. Information on CIP

CIP is a closed-ended investment company which was incorporated in Guernsey in 2017. It was incorporated as a vehicle through which to exploit the expertise of Merchant Capital Manager Limited, an affiliate of Continental Investment Partners SA, to generate returns for its shareholders through investment in listed equity and other financial products and instruments using a private equity approach.

CIP's investment objective is to generate risk-adjusted returns for its shareholders through investment in equity and equity-related products and instruments, by targeting appreciation in the value of its investments over the medium to longer term, principally through capital growth.

Your attention is drawn to the financial information in respect of the CIP Group incorporated by reference into this document, as set out in Part III.

8. Financing the Increased Offer

The cash consideration payable under the Increased Offer will be provided from CFE's existing cash resources.

Investec, in its capacity as the financial adviser to CFE, is satisfied that sufficient cash resources are available to CFE to enable it to satisfy in full the cash consideration payable by CFE to CIP Shareholders under the terms of the Increased Offer.

Full acceptance of the Increased Offer is not expected to have a material impact on the earnings, assets and liabilities of CFE.

9. Management, employees, research and development and locations

CFE believes that CIP's existing investments would be complementary to its existing investment strategy.

CIP has no employees and, therefore, does not operate any pension scheme, nor does it have any arrangement in place for any employee involvement in its capital. CIP has no fixed assets and research and development function. CFE has no intention to change these features of CIP. CFE does not intend on changing CIP's registered place of business.

If the Increased Offer becomes, or is declared, unconditional in all respects, in accordance with its terms, CFE intends to terminate the investment management agreement dated 15 December 2017 between CIP and Merchant Capital Manager Limited in accordance with the agreement's terms. CFE would intend to appoint a new investment manager; CFE has not yet concluded upon which investment manager it would intend on appointing however, CFE expects to have identified a suitable replacement within three months. Any investment manager CFE proposes will be expected to manage the existing assets held by CIP in a way that generates returns in the best interest of all shareholders, taking into account wider market conditions, macro factors and adhering to CIP's existing investment policy.

If the Increased Offer becomes, or is declared, unconditional, CFE may request the appointment of a representative to the board of CIP. Any such appointment to the board of CIP will be made in accordance with the requirements of the AIM Rules for Companies and subject to regulatory approval by the Guernsey Financial Services Commission (“GFSC”). The identity of any such appointee has not yet been confirmed.

As explained in paragraph 10 below, in the event that CFE achieves the Cancellation Requirement, CFE may apply for the cancellation of CIP’s Shares from trading on AIM. In these circumstances, CIP will not require quoted company governance structures and accordingly it is intended that the CIP Directors will, subject to GFSC approval, be asked to step down from their roles following cancellation of CIP’s Shares from trading on AIM.

10. Compulsory acquisition, delisting and re-registration

If CFE has by virtue of its shareholdings and valid acceptances of the Increased Offer, acquired or agreed to acquire CIP Shares carrying at least 75 per cent. of the voting rights attaching to the ordinary share capital of CIP (the “**Cancellation Requirement**”), CFE intends to procure that CIP will make an application to cancel trading in the CIP Shares on AIM.

It is anticipated that the cancellation of trading on AIM will take effect no earlier than 20 Business Days after either: (a) the date on which CFE has fulfilled the Cancellation Requirement; or (b) the first date of issue of compulsory acquisition notices under Part XVIII of the Companies Law, as applicable. CFE will notify CIP Shareholders when the Cancellation Requirement has been satisfied and confirm that the 20 Business Day notice period has commenced and the anticipated date of cancellation.

Although the ordinary shares in CIP will remain transferable, they will cease to be transferable through CREST. Shareholders who hold ordinary shares in CIP in uncertificated form in CREST will, following cancellation of trading on AIM becoming effective, be sent a share certificate for those Ordinary Shares.

The cancellation of the admission to trading of the CIP Shares would significantly reduce the liquidity and marketability of any CIP Shares in respect of which valid acceptances of the Increased Offer have not been submitted at that time.

If CFE receives valid acceptances under the Increased Offer in respect of, or otherwise acquires, 90 per cent. or more of the CIP Shares to which the Increased Offer relates (excluding CIP Shares held by certain connected parties to CFE pursuant to section 337A of the Companies Law), CFE will exercise its rights pursuant to Part XVIII of the Companies Law to acquire compulsorily the remaining CIP Shares in respect of which the Increased Offer has not been accepted on the same terms as the Offer.

11. Taxation

11.1 *United Kingdom*

The following paragraphs, which are intended as a general guide only and not a substitute for detailed tax advice, are based on current UK legislation and HMRC published practice as at the last practicable date prior to the issue of this document, which may change. They summarise certain limited aspects of the UK taxation treatment of acceptance of the Increased Offer. They relate only to the position of CIP Shareholders who are resident and, in the case of individuals, domiciled in the UK for UK taxation purposes at all relevant times and who hold their CIP Shares directly and beneficially as an investment and who have not (and are not deemed to have) acquired their CIP Shares by reason of employment. The comments below apply only to certain categories of person and, in particular, may not apply to such persons as market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services, to whom special rules may apply.

If you are in any doubt as to your taxation position or if you may be subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriately qualified independent professional adviser immediately.

(a) UK taxation of chargeable gains

The sale of CIP Shares by a CIP Shareholder pursuant to the Increased Offer will constitute a disposal, or part disposal, of his shareholding. Such a disposal or part disposal may give rise to

a liability to UK taxation of chargeable gains depending on that CIP Shareholder's individual circumstances (including the availability of exemptions, reliefs and allowable losses) and, in particular, the CIP Shareholder's base cost in his holding of CIP Shares.

(b) *Stamp Duty and Stamp Duty Reserve Tax ("SDRT")*

No UK stamp duty or SDRT should be payable by CIP Shareholders as a result of accepting the Increased Offer.

11.2 **Guernsey**

The following paragraphs, which are intended as a general guide only, and do not constitute tax advice, are based on current Guernsey tax legislation and the published practice of the Director of Income Tax in Guernsey, which is subject to change (possibly with retroactive effect). They summarise certain limited aspects of the anticipated Guernsey tax treatment of the Acquisition and they relate only to the position of Shareholders who are the absolute beneficial owners of their Shares, who hold their Shares as an investment and who are resident in Guernsey for taxation purposes. They do not apply to certain classes of Shareholders, such as dealers in securities, insurance companies, collective investment schemes and Shareholders who have, or are deemed to have, acquired their Shares by reason of, or in connection with, an office or employment. If you are in any doubt as to your taxation position or if you are subject to tax in any jurisdiction other than Guernsey, you should consult an appropriate professional adviser immediately.

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

(a) *Guernsey Resident Shareholders*

Taxation on capital gains

No capital gains tax will be charged under Guernsey law in respect of the disposal of CIP Shares.

Guernsey Stamp Duty

No stamp duty or similar duty or tax will be payable in Guernsey by CIP Shareholders in respect of the disposal of CIP Shares.

(b) *Non-Guernsey Resident Shareholders*

CIP Shareholders resident outside Guernsey will not be subject to any tax in Guernsey in respect of or in connection with the disposal of CIP Shares, except where and to the extent that they have a permanent establishment in Guernsey to which the holding of CIP Shares is attributable.

(c) *Anti-Avoidance*

Guernsey has a wide-ranging anti-avoidance provision. This provision targets transactions where the effect of the transaction or series of transactions is the avoidance, reduction or deferral of a tax liability. On a discretionary basis, the director of income tax in Guernsey will make such adjustments to the tax liability to counteract the effects of the avoidance, reduction or deferral of the tax liability.

(d) *US Foreign Account Tax Compliance Act (FATCA)*

Guernsey has implemented FATCA following the entering into of an intergovernmental agreement with the United States regarding the implementation of FATCA (the "US-Guernsey IGA"). Under FATCA and legislation enacted in Guernsey to implement the US-Guernsey IGA, certain disclosure requirements are imposed in respect of certain CIP Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents or citizens of the United States, unless a relevant exemption applies. Certain due diligence obligations are also imposed. Where applicable, information that needs to be disclosed includes certain information about CIP Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and

returns from CIP, including resulting from any disposal of CIP Shares. FATCA is implemented through Guernsey's domestic legislation in accordance with local guidance that is published in draft form.

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

(e) *Organisation For Economic Cooperation And Development's Common Reporting Standard (CRS)*

Under the CRS and legislation enacted in Guernsey to implement the CRS, certain disclosure requirements are imposed in respect of certain CIP Shareholders who are, or are entities that are controlled by one or more natural persons who are, residents of any of the jurisdictions that have also adopted the CRS, unless a relevant exemption applies. Certain due diligence obligations are also imposed. Where applicable, information that needs to be disclosed includes certain information about CIP Shareholders, their ultimate beneficial owners and/or controllers, and their investment in and returns from CIP, including resulting from any disposal of CIP Shares. The CRS is implemented through Guernsey's domestic legislation in accordance with local guidance that is supplemented by guidance issued by the Organisation for Economic Cooperation and Development.

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

12. Overseas Shareholders

Shareholders who are not resident in the United Kingdom or Guernsey may be affected by the laws of their relevant jurisdiction. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. If you remain in any doubt, you should consult your professional adviser in the relevant jurisdiction without delay.

The attention of CIP Shareholders who are citizens or residents of countries outside the United Kingdom or Guernsey or who are holding shares for such citizens or residents and any person (including, without limitation, any custodian, nominee or trustee) who may have an obligation to forward any document in connection with the Increased Offer outside the United Kingdom or Guernsey is drawn to paragraph 6 of Section B of Part II of the Original Offer Document, paragraph (c) of Section C of Part II, and/or paragraph (b) of Section D of Part II of the Original Offer Document, and, if their CIP Shares are held in certificated form, to the relevant provisions of the Form of Acceptance, which they should read before taking any action.

This document has been prepared in accordance with the City Code and United Kingdom disclosure requirements applicable to Guernsey companies trading on AIM, and the information disclosed herein 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 the United Kingdom and Guernsey. This document has not been submitted to, or approved by, any regulatory authority of any such jurisdictions outside the United Kingdom and Guernsey.

This document is not being, and will not be, delivered directly or indirectly in, into or from any Restricted Jurisdiction or any other jurisdiction where to do so would violate the laws of that jurisdiction, and it is not

currently intended that the Increased Offer will be capable of acceptance by any such use, means, instrumentality or facility from within any such jurisdiction. Accordingly, persons who are unable to give the warranties set out in paragraph (c) of Section C of Part II and/or paragraph (b) of Section D of Part II of the Original Offer Document may be deemed not to have validly accepted the Increased Offer.

For the purposes of section 337(4) of the Companies Law, CFE has arranged for the Increased Offer to be notified to those shareholders who are resident in any Restricted Jurisdiction by way of notice in La Gazette Officielle. This notice may make reference to the Increased Offer contained in this document and, for this purpose, this document will be made available on CFE's website at <https://cfe-finance.com/public-documents/>.

Notwithstanding the foregoing, CFE will retain the right to permit the Increased Offer to be accepted and any sale of securities pursuant to the Increased Offer to be completed if, in its sole discretion, it is satisfied that the transaction in question can be undertaken in compliance with applicable law and regulation.

13. Procedure for acceptance of the Increased Offer

CIP Shareholders who hold their CIP Shares in certificated form (that is, not in CREST) should read this section in conjunction with the Form of Acceptance and Sections A and B of Part II of the Original Offer Document. The instructions on the Form of Acceptance are deemed to form part of the terms of the Increased Offer.

CIP Shareholders who hold their CIP Shares in uncertificated form (that is, in CREST) should read this section in conjunction with Sections A and C of Part II of the Original Offer Document.

13.1 CIP Shares held in certificated form (that is, not in CREST)

(a) Completion of the Form of Acceptance

To accept the Increased Offer in respect of CIP Shares held in certificated form (that is, not in CREST), you must complete the Form of Acceptance in accordance with the instructions set out below and on the Form of Acceptance. You should complete separate Forms of Acceptance for CIP Shares held in certificated form but under different designations. If you have any queries as to how to complete the Form of Acceptance, please contact Link Group, on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Group cannot provide advice on the merits of the Increased Offer nor give any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

The instructions printed on the Form of Acceptance shall be deemed to form part of the terms of the Increased Offer.

To accept the Increased Offer in respect of all your CIP Shares in certificated form: you must complete Box 2 and sign Boxes 3A or 3B of the enclosed Form of Acceptance. In all cases, if you are an individual, you must sign Box 3A on the Form of Acceptance in the presence of a witness who should also sign in accordance with the instructions printed on it for execution by individuals. Any CIP Shareholder which is a company should execute Box 3B of the Form of Acceptance where indicated in accordance with the instructions printed on it for execution by a company. If you do not insert a number in Box 2 of the Form of Acceptance, or if you insert in Box 2 a number which is greater than the number of CIP Shares that you hold in certificated form and you have signed Boxes 3A or 3B, your acceptance will be deemed to be in respect of all the CIP Shares held by you in certificated form.

To accept the Increased Offer in respect of less than all your CIP Shares in certificated form: you must insert in Box 2 on the enclosed Form of Acceptance such lesser number of CIP Shares in respect of which you wish to accept the Increased Offer in accordance with the instructions printed on it. You should then follow the procedure set out in the paragraph above in respect of such lesser number of CIP Shares.

(b) *Return of Form of Acceptance*

To accept the Increased Offer in respect of CIP Shares held in certificated form, the completed, signed and (where applicable) witnessed Form of Acceptance should be returned by post or by hand (during normal business hours only) to the Receiving Agent at Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL, together (subject to paragraph 13.1(c) below) with the relevant share certificate(s) and/or other document(s) of title, as soon as possible and, in any event, so as to be received not later than 1.00 p.m. (London time) on 1 April 2022 or, if earlier, the Unconditional Date. A reply-paid envelope is enclosed for your convenience. No acknowledgement of receipt of documents will be given.

Any Form of Acceptance received in an envelope post-marked in a Restricted Jurisdiction, or otherwise appearing to CFE or its agents to have been sent from any of these jurisdictions, may be rejected as an invalid acceptance of the Increased Offer. For further information for CIP Shareholders resident overseas, see paragraph 12 of this Part I.

(c) *Share certificates not readily available or lost*

If your CIP Shares are in certificated form, a completed, signed and (where applicable) witnessed Form of Acceptance should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If for any reason the relevant share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, you should nevertheless complete, sign and return the Form of Acceptance by post, using the enclosed reply paid envelope, or by hand (during normal business hours) to the Receiving Agent at Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL as soon as possible and, in any event, so as to be received not later than 1.00 p.m. (London time) on 1 April 2022 or, if earlier, the Unconditional Date. You should send with the Form of Acceptance any share certificate(s) and/or other document(s) of title which you may have available, accompanied by a letter stating that the remaining documents will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title. You should then arrange for the relevant share certificate(s) and/or other document(s) of title to be forwarded as soon as possible. If you have lost your share certificate(s) and/or other document(s) of title you should write as soon as possible to CIP's registrars, Computershare Investor Services (Guernsey) Limited, at 1st Floor, Tudor House, Le Bodge, St Peter Port, Guernsey GY1 1DB, requesting a letter of indemnity for the lost share certificate(s) and/or other document(s) of title which, when completed in accordance with the instructions given, should be returned by post or by hand to the Receiving Agent at the address given above.

(d) *Validity of acceptances*

Without prejudice to Section B and Section C of Part II to the Original Offer Document, subject to the provisions of the City Code, CFE reserves the right to treat as valid, in whole or in part, any acceptance of the Increased Offer which is not entirely in order or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title. In that event, no payment of cash under the Increased Offer will be made until after the relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to CFE have been received.

(e) *Overseas shareholders*

The attention of CIP Shareholders holding CIP Shares in certificated form and who are citizens or residents of jurisdictions outside the United Kingdom is drawn to paragraph 12 of this Part I and paragraph 6 of Section B of Part II of the Original Offer Document and paragraph (c) of Section C of Part II of the Original Offer Document.

13.2 **CIP Shares held in uncertificated form (that is, in CREST)**

(a) *General*

If your CIP Shares are held in uncertificated form, to accept the Increased Offer you should take (or procure the taking of) the action set out below to transfer the CIP Shares in respect of which you wish to accept the Increased Offer to the appropriate escrow balance(s), specifying the Receiving Agent (in its capacity as a CREST participant under the Escrow Agent's participant ID referred to below) as the Escrow Agent, as soon as possible **and in any event so that the TTE Instruction settles not later than 1.00 p.m. (London time) on 1 April 2022 or, if earlier,**

the Unconditional Date. Note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) you should therefore ensure you time the input of any TTE Instructions accordingly.

The input and settlement of a TTE Instruction in accordance with this paragraph 13.2 will (subject to satisfying the requirements set out in Sections A and C of Part II of the Original Offer Document) constitute an acceptance of the Increased Offer in respect of the number of CIP Shares so transferred to escrow.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Only your CREST sponsor will be able to send the TTE Instruction(s) to Euroclear in relation to your CIP Shares.

After settlement of a TTE Instruction, you will not be able to access the CIP Shares concerned in CREST for any transaction or charging purposes.

You are recommended to refer to the CREST Manual issued by Euroclear for further information on the CREST procedure outlined below.

You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your CIP Shares to settle prior to 1.00 p.m. (London time) on 1 April 2022 or, if earlier, the Unconditional Date. In this connection, you are referred in particular to those sections of the CREST Manual concerning the practical limitations of the CREST system and timings.

(b) To accept the Increased Offer

To accept the Increased Offer in respect of your CIP Shares, you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) to Euroclear a TTE Instruction in relation to such CIP Shares. A TTE Instruction to Euroclear must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain the following details:

- o the ISIN number for the CIP Shares. This is GG00BF8NW879;
- o the number of CIP Shares in respect of which you wish to accept the Increased Offer (i.e. the number of CIP Shares to be transferred to escrow);
- o your member account ID;
- o your participant ID;
- o the participant ID of the Escrow Agent. This is RA10;
- o the member account ID of the Escrow Agent for the Increased Offer. This is CFECIP01;
- o the intended settlement date. This should be as soon as possible and, in any event, not later than 1.00 p.m. (London time) on 1 April 2022 or, if earlier, the Unconditional Date;
- o the corporate action number of the Increased Offer. This is allocated by Euroclear and will be available on screen from Euroclear;
- o input with a standard delivery instruction priority of 80; and
- o a contact name and telephone number in the shared note field.

If you hold CIP Shares in uncertificated form through one or more intermediaries, such as a stockbroker, custodian bank or clearing system, you should confirm the instruction deadline which such intermediaries have established to accept the Increased Offer on your behalf. The custodian bank or stockbroker may set an earlier deadline for receiving instructions from you in order to permit the custodian bank or stockbroker to communicate acceptances to the Receiving Agent in a timely manner.

(c) *Validity of acceptances*

Holders of CIP Shares in uncertificated form who wish to accept the Increased Offer should note that a TTE Instruction will only be a valid acceptance of that Increased Offer as at the relevant closing date if it has settled on or before 1.00 p.m. (London time) on that date. A Form of Acceptance which is received in respect of CIP Shares held in uncertificated form may be treated as an invalid acceptance and may be disregarded.

CFE will make an appropriate announcement if any of the details contained in this paragraph 13.2 alter for any reason.

(d) *Overseas shareholders*

The attention of CIP Shareholders holding CIP Shares in uncertificated form and who are citizens or residents of jurisdictions outside the United Kingdom is drawn to paragraph 12 of this Part I, paragraph 6 of Section B of Part II of the Original Offer Document and paragraph (b) of Section D of Part II of the Original Offer Document.

(e) *Further information*

Normal CREST procedures (including timings) apply in relation to any CIP Shares that are, or are to be, converted from uncertificated form to certificated form, or from certificated form, during the course of the Increased Offer (whether any such conversion arises as a result of a transfer of CIP Shares or otherwise). Holders of CIP Shares who are proposing to convert any such CIP Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the CIP Shares as a result of the conversion to take all necessary steps in connection with an acceptance of the Increased Offer (in particular, as regards delivery of a Form of Acceptance or transfers to an escrow balance as described above) before 1.00 p.m. (London time) on 1 April 2022 or, if earlier, the Unconditional Date.

If you are in any doubt as to the procedure for acceptance of the Increased Offer, please contact the Receiving Agent, Link Group, on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the Receiving Agent cannot provide advice on the merits of the Increased Offer nor give any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

14. Settlement

Except as provided in paragraph 6 of Section B of Part II to the Original Offer Document in the case of certain overseas shareholders, settlement of the consideration to which any CIP Shareholder (or the first-named shareholder in the case of joint holders) is entitled under the Increased Offer will be effected by the despatch of cheques or by crediting CREST accounts (as applicable) in respect of acceptances received, complete in all respects, within 14 calendar days of the end of the Offer Period, in the manner set out below.

(a) ***CIP Shares in certificated form (that is, not in CREST)***

Where an acceptance relates to CIP Shares in certificated form, settlement of any cash due will be despatched by first class post (or such other method as may be approved by the Panel) to accepting CIP Shareholders or their appointed agents (but not in a Restricted Jurisdiction). All such cash payments will be made in Pounds Sterling by cheque drawn on a branch of the United Kingdom clearing bank.

(b) ***CIP Shares in uncertificated form (that is, in CREST)***

Where an acceptance relates to CIP Shares in uncertificated form, the cash consideration to which the accepting CIP Shareholder is entitled will be paid by means of a CREST payment in favour of the accepting CIP Shareholder's payment bank in respect of the cash consideration due, in accordance with CREST payment arrangements. CFE reserves the right to settle all or any part of the consideration referred to in this paragraph 14, for all or any accepting CIP Shareholder(s), in the manner referred to in paragraph 13 above, if, for any reason, it wishes to do so, except in circumstances where the

accepting CIP Shareholder has informed the Receiving Agent in writing prior to the end of the offer period that it is unwilling to accept settlement of the consideration by cheque.

(c) ***Lapsing or withdrawal of the Increased Offer***

If the Increased Offer lapses for any reason:

- (i) in the case of CIP Shares held in certificated form, the relevant Form of Acceptance and relevant share certificates and/or document(s) of title will be returned by post (or by such other method as may be approved by the Panel) within 7 calendar days of the Increased Offer lapsing to the person or agent whose name and address (outside a Restricted Jurisdiction) is set out in the Form of Acceptance or, if none is set out, to the first-named holder at his or her registered address (provided that no such documents will be sent to an address in a Restricted Jurisdiction); and
- (ii) in the case of CIP Shares held in uncertificated form, the Escrow Agent will, immediately after the lapsing of the Increased Offer (or within such longer period as the Panel may permit, not exceeding 7 calendar days of the lapsing of the Increased Offer), give TFE instructions to Euroclear to transfer all CIP Shares which are held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Increased Offer to the original available balances of the CIP Shareholders concerned.

15. Further information

The terms and condition of the Increased Offer are set out in full in Part II of the Original Offer Document (as amended by Part II of this document). Your attention is drawn to the letter from the board of CFE and the further information in the remainder of this document and, if your CIP Shares are in certificated form, to the accompanying Form of Acceptance which should be read in conjunction with this document. The Form of Acceptance contains material information relevant to those CIP Shareholders who hold CIP Shares in certificated form which may not be summarised elsewhere in this document.

16. Action to be taken to accept the Increased Offer

Acceptances of the Offer shall be deemed to be acceptances of the Increased Offer in accordance with paragraph 4 of Section B of Part II of the Original Offer Document. Therefore, CIP Shareholders who have already validly accepted (and not validly withdrawn) their acceptance of the Offer are not required to take any further action in respect of the Increased Offer.

If you hold your CIP Shares in certificated form (that is, not in CREST), to accept the Increased Offer you must:

- (a) complete the Form of Acceptance in accordance with the instructions printed on it; and
- (b) return the completed Form of Acceptance (along with your share certificate(s) and/or other documents of title) by post or by hand (during normal business hours only) to the Receiving Agent at Link Group, Corporate Actions, Central Square, 29 Wellington Street, Leeds LS1 4DL as soon as possible and, in any event, **so as to be received by no later than 1.00 p.m. (London time) on 1 April 2022 or, if earlier, the Unconditional Date**. If you are posting in the UK, the enclosed reply-paid envelope has been provided for your convenience.

If you hold your CIP Shares in uncertificated form (that is, in CREST), to accept the Increased Offer you must:

- (a) follow the procedure set out in paragraph 13 of Part I of this document – acceptances should be made electronically through CREST; and
- (b) **ensure that the TTE Instruction settles as soon as possible and in any event no later than 1.00 p.m. (London time) on 1 April 2022 or, if earlier, the Unconditional Date. If you hold your CIP Shares as a CREST sponsored member**, you should refer to your CREST sponsor as only your CREST sponsor will be able to send the necessary TTE Instruction to Euroclear.

All remittances, communications, notices, certificates and documents of title sent by, to or from CIP Shareholders or their appointed agents will be sent at their own risk.

If you require assistance in completing your Form of Acceptance (or wish to obtain an additional Form of Acceptance), or have questions in relation to making an electronic acceptance, please contact the Receiving Agent on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the Receiving Agent cannot provide advice on the merits of the Increased Offer nor give any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Yours faithfully

Mario Cordoni
Chief Executive Officer,

for and on behalf of

CORPORATION FINANCIÈRE EUROPÉENNE S.A.

PART II

Further terms of the Increased Offer

Section A: Condition of the Increased Offer

The Increased Offer is made subject to the Acceptance Condition set out in Section A of Part II of the Original Offer Document (which shall be deemed to be incorporated into by reference and form part of this Part II), save that any reference to the Offer will now be construed as a reference to the Increased Offer.

Section B: Further terms of the Increased Offer

1. The Increased Offer is a revision of the Offer and shall be construed accordingly.
2. The Increased Offer is, save as set out in this document, made on and subject to the further terms of the Offer set out in Sections B, C and D of Part II of the Original Offer Document, which shall be deemed to be incorporated into by reference, and form part of, this Part II.
3. Unless the context requires otherwise, any reference in the Original Offer Document including, in particular, Sections B, C and D of Part II of the Original Offer Document and in the Form of Acceptance to:
 - (a) **“acceptances”** of the Offer includes deemed acceptances of the Increased Offer;
 - (b) the **“Offer”** shall mean the Increased Offer and shall include any revision, variation or extension of thereof;
 - (c) the **“Offer becoming unconditional”** shall include the Increased Offer being or becoming or being declared unconditional; and
 - (d) the **“offer document”** shall, where the context requires, mean the Original Offer Document, this document and any other document containing the Increased Offer.
4. Acceptances of the Offer shall be deemed to be acceptances of the Increased Offer. Therefore, if you have already validly accepted (and not validly withdrawn your acceptance of) the Offer, you are not required to take any further action in respect of the Increased Offer.

PART III

Financial Information on CIP

The financial information set out below is incorporated by reference into this document in accordance with Rule 24.15 of the City Code.

Please note that the latest interim report for the CIP Group to 31 June 2021 and the financial results for the CIP Group for the two financial years ended 31 December 2020 and 31 December 2019 are available free of charge on the following website:

<https://cipmerchantcapital.com/corporate-documents/>

The annual reports are available in “read-only” format and can be printed from the web address detailed above.

Please see paragraph 11 of Part V to the document for details of obtaining copies of documents incorporated by reference into this document.

PART IV

Financial Information on CFE

The financial information set out below is incorporated by reference into this document in accordance with Rule 24.15 of the City Code.

Please note that the financial results for CFE for the two financial years ended 30 June 2021 and 30 June 2020 are available free of charge on the following website:

<https://cfe-finance.com/public-documents/>

The annual reports are available in “read-only” format and can be printed from the web address detailed above.

Please see paragraph 11 of Part V to the document for details of obtaining copies of documents incorporated by reference into this document.

PART V

Additional Information

1. Responsibility

- 1.1 The issue of this document has been approved by the Directors of CFE. The Directors of CFE, whose names appear in paragraph 2.1 below, accept responsibility for the information contained in this document (including any expressions of opinion). To the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this document (other than any information relating to CIP, the Directors of CIP or their immediate families, related trusts and connected persons) for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors of CFE and CIP

- 2.1 The names of the Directors of CFE and their respective functions are as follows:

<i>Name</i>	<i>Position</i>
Mario Cordoni	<i>Founder and Chief Executive Officer</i>
Marco Paternò Castello	<i>Executive Director</i>
Pierfrancesco Rampinelli-Rota	<i>Chairman and Non-Executive Director</i>

The registered office and principal place of business of CFE, which is also the business address of the above directors, is 32 Boulevard Royal, L-2449 Luxembourg.

- 2.2 The names of the Directors of CIP and their respective functions are as follows:

<i>Name</i>	<i>Position</i>
Adrian Collins	<i>Non-executive chairman (Independent)</i>
John Falla	<i>Non-executive director (Independent)</i>
Robert King	<i>Non-executive director (Independent)</i>
Piero Sansalone	<i>Non-executive director</i>

The registered office of CIP, which is also the business address of the above directors, is 3rd Floor, 1 Le Truchot, St Peter Port, GY1 1WD, Guernsey.

3. Market quotations

- 3.1 The following table shows the closing middle market quotations for CIP Shares, as derived from London Stock Exchange Daily Official List, on:

- (a) the first Business Day in each of the six months immediately before the date of this document;
- (b) 13 January 2022 (being the last dealing day before the commencement of the Offer Period); and
- (c) 17 March 2022 (being the latest practicable date prior to the publication of this document):

<i>Date</i>	<i>Price per CIP Share (pence)</i>
1 October 2021	55.00
1 November 2021	58.50
1 December 2021	48.50
4 January 2022	51.00
13 January 2022	51.00
1 February 2022	58.50
1 March 2022	57.00
17 March 2022	61.75

4. Disclosure of interests and dealings in relevant securities

4.1 Definitions

For the purposes of this paragraph 4:

- (a) **“acting in concert”** with a person means any other person acting or deemed to be acting in concert with that first person for the purposes of the City Code and the Increased Offer;
- (b) **“dealing”** or **“dealt”** means:
 - (i) acquiring or disposing of securities, or the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of securities;
 - (ii) taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option (including a traded option contract) in respect of any securities;
 - (iii) subscribing or agreeing to subscribe for securities;
 - (iv) exercising or converting, whether in respect of new or existing securities, any securities carrying conversion or subscription rights;
 - (v) acquiring or disposing of, entering into, closing out, exercise (by either party) of any rights under, or varying, a derivative referenced, directly or indirectly, to securities;
 - (vi) entering into, terminating or varying the terms of any agreement to purchase or sell securities;
 - (vii) the redemption or purchase of, or taking or exercising an option over, any of its own relevant securities by CIP or CFE; and
 - (viii) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position;
- (c) **“derivative”** means any financial product whose value, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;
- (d) **“disclosure period”** means the period commencing on 14 January 2021 (being the date 12 months prior to the date of commencement of the Offer Period) and ending on 17 March 2022 (being the latest practicable date prior to the publication of this document);
- (e) a person having an **“interest”**, or being **“interested”**, in any securities includes a situation where a person:
 - (i) owns securities;
 - (ii) has the right, whether conditional or absolute, to exercise or direct the exercise of the voting rights attaching to securities or has general control of them;
 - (iii) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise;
 - (iv) is a party to any derivative whose value is determined by reference to the price of securities and which results, or may result, in his having a long position in them; or
 - (v) has long economic exposure, whether absolute or conditional, to changes in the price of those securities (but a person who only has a short position in securities is not treated as interested in those securities);
- (f) **“Note 11 arrangement”** means any indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature relating to CIP relevant securities which may be an inducement to deal or refrain from dealing in such securities;
- (g) **“CIP relevant securities”** means relevant securities (such term having the meaning given to it in the City Code in relation to an CIP) of CIP including CIP Shares and any securities convertible into, or carrying rights to subscribe for CIP Shares;

- (h) “**related parties**”, in relation to a director, means those persons listed in section 167(1) of the Companies Law in respect of whom, through their connection to a director, such director would be deemed to have a personal interest;
- (i) “**relevant securities**” means CIP relevant securities; and
- (j) “**short position**” means any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

4.2 **Interests in relevant securities of CIP**

As at the close of business on 17 March 2022 (being the last practicable date prior to publication of this document) CFE had an interest in 19,369,621 CIP Shares, which together with the 69,000 CIP Shares purchased on 16 March 2022, represent approximately 35.3 per cent. of the CIP Shares in issue.

The following dealing in CIP Shares by CFE has taken place during the disclosure period:

<i>Completion Date</i>	<i>Transaction type</i>	<i>Number of CIP Shares</i>	<i>Price per share (£)</i>
26 January 2021	Purchase	5,000,000	0.50
12 March 2021	Purchase	230,010	0.50
19 March 2021	Purchase	104,838	0.50
26 March 2021	Purchase	309,996	0.50
29 March 2021	Purchase	15,000	0.50
30 June 2021	Purchase	4,549,000	0.55
2 July 2021	Purchase	700,000	0.55
16 July 2021	Purchase	1,345,000	0.55
23 July 2021	Purchase	22,000	0.55
29 July 2021	Purchase	350,000	0.55
14 January 2022	Purchase	1,091,000	0.55
25 February 2022	Purchase	884,304	0.55
2 March 2022	Purchase	995,000	0.55
16 March 2022	Purchase	69,000	0.59

The major shareholders of CFE and their respective percentage shareholdings as at the close of business on 28 January 2022 (being the last practicable date prior to publication of this document) are set out in the table below:

<i>Name</i>	<i>Percentage shareholding in CFE (%)</i>
Mario Cordoni	70.71
Duccio Duranti	16.97

A summary of each of the major shareholders of CFE is set out below:

- Mr Cordoni owns 70.71 per cent. of the issued share capital of CFE. Mr Cordoni’s shares in CFE are held through his wholly owned holding companies (Provence Lux S.A. and Metal Finance S.A.) as well as through his majority holding in Rascasse Capital Partners S.A. (“**Rascasse**”), which is co-owned by various members of CFE’s management team.
- Duccio Duranti, CFE’s Head of Business Development, owns 16.97 per cent. of the issued share capital of CFE. Mr Duranti’s shares in CFE are held through his wholly owned holding company (Ababell Holdings S.A.R.L.) which holds the shares both directly and through its holding in Rascasse.

4.3 **General**

Save as set out above in this Part V, as at the close of business on 17 March 2022 (being the latest practicable date prior to the publication of this document):

- (a) none of:
 - (i) CFE;
 - (ii) the Directors of CFE or their respective related parties; nor
 - (iii) any person acting in concert with CFE had any interest in or right to subscribe for any CIP relevant securities or any short position in respect of CIP relevant securities or (save for any borrowed shares which have been on-lent or sold) had borrowed or lent any CIP relevant securities (including for these purposes any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the City Code) nor has any such person dealt in any CIP relevant securities during the disclosure period; and
- (b) neither CFE nor any person acting in concert with CFE has any Note 11 arrangement.

5. **Financing arrangements and cash confirmation**

- (a) Based on the existing issued share capital of CIP of 55,000,000 CIP Shares full acceptance of the Increased Offer would require the payment by CFE, under the terms of the Increased Offer, of a maximum amount of £21,336,827.40 in cash (the “**Cash Offer Amount**”).
- (b) The cash consideration payable under the Increased Offer will be funded by CFE’s existing cash resources. Deutsche Bank Luxembourg S.A. has provided a first demand guarantee to CFE dated 18 November 2021, as amended on 15 March 2022, irrevocably guaranteeing payment of the Cash Offer Amount immediately upon first demand in writing by CFE (the “**DB Guarantee**”). The DB Guarantee expires on 31 May 2022.
- (c) Investec, as financial adviser to CFE, is satisfied that the sufficient resources are available to CFE to enable it to satisfy in full the cash consideration payable to CIP Shareholders under the terms of the Increased Offer.

6. **Material contracts**

- 6.1 In addition to the financing arrangements described in paragraph 5, the following contracts (not being contracts entered into in the ordinary course of business), which are or may be material, have been entered into by members of the CFE Group within the two years immediately preceding the commencement of the Offer Period:

- (a) ***Loan agreement between CFE and RiverRock European Capital Partners LLP dated 16 December 2021 and amended on 21 January 2022 (the “Short Term Loan Agreement”)***

Pursuant to the Short Term Loan Agreement, CFE granted a loan of EUR 1,250,000 to RiverRock European Capital Partners LLP. The Short Term Loan Agreement had a duration of two months and was repaid in full by 16 February 2022. The loan was interest bearing at a rate of 5 per cent. per annum, payable at maturity. The first instalment of EUR 1 million was drawn on 16 December 2021, with the second instalment of EUR 250,000 drawn on 25 January 2022. The laws of England and Wales govern the Short Term Loan Agreement.

- (b) ***Deed of adherence between CFE (UK) Ltd and RiverRock European Capital Partners LLP dated 15 September 2021 (the “Deed of Adherence”)***

Pursuant to a partnership agreement in relation to RiverRock European Capital Partners LLP, CFE (UK) Ltd, a company wholly owned by CFE, has signed a deed of adherence to become a member of RiverRock European Capital Partners LLP, one of Europe’s leading alternative investment management company providing alternative solutions to global investors and customised capital solutions to European companies. Pending receipt of approval from the FCA, CFE (UK) Ltd will be admitted as a member and will contribute EUR 11 million to the partnership and will have a 39.50 per cent. share in any profit and voting.

(c) **Share subscription agreement between CFE and NewCleo Ltd dated 23 August 2021 (the “NewCleo Subscription Agreement”)**

Pursuant to the NewCleo Subscription Agreement, CFE subscribed for 10,000 ordinary shares in the capital of NewCleo Ltd. NewCleo Ltd is a company focused on the energy sector and aims to develop a new way of extracting energy from nuclei, a carbon neutral energy source. The subscription price per share was EUR 50 for a total consideration of EUR 500,000.

(d) **Loan agreement between CFE and RiverRock European Capital Partners LLP dated 27 July 2021 (the “Loan Agreement”)**

Pursuant to the Loan Agreement, CFE granted a loan of EUR2 million to RiverRock European Capital Partners LLP. The Loan Agreement has a duration of three years and is due to be repaid by 27 July 2024, if not already done so prior to then. The loan is interest bearing at a rate of 5 per cent. per annum, payable every six months. The first instalment of EUR 1.5 million was drawn on 27 July 2021 with the second instalment of EUR 500,000 drawn on 27 August 2021. The Loan Agreement is governed by the laws of England and Wales.

(e) **Share purchase agreement between CFE and Green Blue 7 S.A. dated 21 July 2021 (the “Green Blue SPA”)**

Pursuant to the Green Blue SPA, CFE acquired an indirect shareholding of 49 per cent. in Luxembourg Fund Services S.A. (‘LFS’) which operates as a Professional of the Financial Sector (PFS) and is regulated and supervised by the Commission de Surveillance du Secteur Financier (CSSF), Luxembourg’s financial supervisory authority. LFS specialises in regulated and unregulated investment funds, corporate domain, tax and accounting services, central administration and transfer agency. The total consideration paid under the Green Blue SPA was EUR 4,708,208.31. The Green Blue SPA is governed by the law of the Grand Duchy of Luxembourg.

(f) **Facility agreement between CFE and Deutsche Bank Luxembourg S.A. dated 25 June 2020 (the “DB Facility”)**

Pursuant to the DB Facility, CFE was granted a committed and secured revolving credit facility of up to EUR 45 million. The facility is only available to be drawn in EUR. The DB Facility is interest bearing at a rate of 0.45 per cent. per annum on the first EUR 25 million and 2.95 per cent. per annum on the remaining EUR 20 million. CFE is entitled to draw down the facility in a single or multiple tranches, each tranche having a minimum amount of EUR 100,000. The DB Facility had its first maturity date on 25 June 2021 and has been renewed by CFE and Deutsche Bank Luxembourg S.A. The DB facility is governed by the law of the Grand Duchy of Luxembourg.

(g) **Shareholder loan agreement between CFE and Rascasse Capital Partners S.A. dated 6 June 2020 (the “Shareholder Loan Agreement”)**

Pursuant to the Shareholder Loan Agreement, CFE has granted Rascasse Capital Partners S.A., a shareholder of CFE, an intercompany loan of EUR 17 million. The Shareholder Loan Agreement has a fixed annual interest rate of 0.55 per cent. The facility is payable in a single tranche in EUR or USD, and it is repayable upon request by CFE, with a minimum notice period of 60 days. The Shareholder Loan Agreement is governed by the law of the Grand Duchy of Luxembourg.

7. Bases of calculations and sources of information

7.1 The value of £33.0 million attributed to the existing issued share capital of CIP is based upon the 55,000,000 CIP Shares in issue on 17 March 2022 (being the latest practicable date prior to publication of this document).

7.2 For the purposes of the financial comparisons contained in this document, no account has been taken of any liability to taxation or the treatment of fractions under the Increased Offer.

7.3 Unless otherwise stated, the financial information on CIP has been extracted from the audited annual report and accounts of CIP for the year ended 31 December 2020 and from the announcement of CIP’s interim results for the six months ended 30 June 2021.

- 7.4 Unless otherwise stated, the financial information concerning CFE has been quoted on the basis of current Luxembourg Generally Accepted Accounting Practice as at 28 January 2022 (being the latest practicable date prior to publication of this document).
- 7.5 Unless otherwise stated, all prices for CIP Share have been derived from London Stock Exchange Daily Official List and represent the closing middle market prices on the relevant date.
- 7.6 References to a percentage of CIP Shares are based on the number of CIP Shares in issue as set out in paragraph 7.1 above.
- 7.7 Volume weighted average prices are derived from FactSet data and based on the volume weighted intra-day average price.
- 7.8 The premia implied by the Increased Offer Price have been calculated with reference to prices of:
- (a) the Original Offer Price of 55 pence, as announced on 14 January;
 - (b) 57 pence, being the Closing Price on 15 March 2022, the last business day before the publication of the Increased Offer Announcement;
 - (c) 51.0 pence, being the Closing Price on 13 January 2022, the last business day before the Original Offer was announced;
 - (d) 51.0 pence for each CIP Share, being the Closing Price on 13 January 2022, the last Business Day prior to the commencement of the Offer Period;
 - (e) the volume weighted average Closing Price of 49.0 pence for each CIP Share for the three month period prior to and including 13 January 2022, the last Business Day prior to the commencement of the Offer Period;
 - (f) the volume weighted average Closing Price of 51.0 pence for each CIP Share for the six month period prior to and including 13 January 2022, the last Business Day prior to the commencement of the Offer Period; and
 - (g) the volume weighted average Closing Price of 52.8 pence for each CIP Share for the 12 month period prior to and including 13 January 2022, the last Business Day prior to the commencement of the Offer Period.
- 7.9 All information related to the Association of Investment Companies has been sourced from the AIC Advanced Compare archive, found at <https://www.theaic.co.uk/aic/statistics/aic-interactive-statistics-archive>.
- 7.10 The International Securities Identification Number for CIP Shares is GG00BF8NW879.

8. Fees and expenses

It is estimated that the aggregate fees and expenses expected to be incurred by CFE in connection with the Increased Offer are estimated to amount to approximately £785,500 (exclusive of any applicable VAT). This aggregate number (exclusive of any applicable VAT) consists of the following categories:

- (a) financial and corporate broking advice: approximately £300,000;
- (b) legal advice: approximately £422,500; and
- (c) other professional services: approximately £63,000.

9. General

- 9.1 Save as disclosed in this document, no proposal exists in connection with the Increased Offer that any payment be made or given by CFE to any person as compensation for loss of office or as consideration for, or in connection with, his retirement from office.
- 9.2 Save as disclosed in this document, as at the disclosure date, neither CFE, nor any of the Directors of CFE nor any of such directors' related parties, nor any person acting in concert with CFE held any interest in, or right to subscribe for, or any short position, including any short position under a derivative

in relation to, is party to, any agreement to sell or has any delivery obligation or right to require another person to purchase or take delivery, of any relevant securities of CIP, nor, save for any borrowed shares which have either been on-lent or sold, had borrowed or lent any relevant securities of CIP (including for these purposes any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the City Code), nor has any such person dealt in relevant securities of CIP during the disclosure period.

- 9.3 Neither CFE nor any person acting in concert with CFE has received any irrevocable commitment or letter of intent in relation to relevant securities of CIP.
- 9.4 Neither CFE nor any person acting in concert with CFE is party to any offer-related arrangements or other agreements, arrangements, commitments permitted under or excluded from Rule 21.2 of the City Code.
- 9.5 There are no agreements, arrangements, understandings or compensation arrangements between CFE and any person acting in concert with it and any of the directors, recent directors, shareholders or recent shareholders of CIP, or any person interested or recently interested in CIP Shares, having any connection with or dependence upon the Increased Offer.
- 9.6 There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the CIP Shares to be acquired pursuant to the Increased Offer will be transferred to any person, except that CFE reserves the right to transfer any such shares to any member of its Group.
- 9.7 CFE is not party to any agreement or arrangement which relates to the circumstances in which it may or may not invoke or seek to invoke a condition to the Increased Offer.
- 9.8 Investec has given and not withdrawn its written consent to the issue of this document with the inclusion of its advice and the references to its name in the form and context in which they appear.
- 9.9 CFE does not propose to put any incentivisation arrangements in place for CIP's management following completion of the Increased Offer.
- 9.10 The value of the whole of the issued share capital of CIP is based upon 55,000,000 issued CIP Shares as at 17 March 2022 and the Increased Offer Price of 60 pence per CIP Share.
- 9.11 The Directors of CFE are not aware of any significant change in the financial or trading position of CFE since 30 June 2021 (being the date to which the last audited accounts of CFE were prepared).
- 9.12 CFE has not had access to any information about the CIP Group otherwise than from published sources. Subject thereto, so far as the Directors of CFE are aware, there has been no significant change in the financial or trading position of CIP since 30 June 2021, being the date to which the last interim accounts of CIP were prepared.

10. Material Change

The contents of the Original Offer Document shall be deemed to be incorporated into and form part of this document, save to the extent amended, disclaimed or superseded by this document.

Save as disclosed in this document, (a) the CFE Directors are not aware of any changes in the information disclosed in the Original Offer Document which are material in the context of the Original Offer Document and (b) there have been no material changes to:

- (a) its intentions with regard to the matters referred to in Rule 24.2 of the Code;
- (b) any known significant change in its or the offeree company's financial or trading position (to the extent required under Rule 24.3(a)(v) of the Code);
- (c) material contracts of CFE (as required by Rule 24.3(a)(vii) of the Code);
- (d) ratings and outlooks publicly accorded to CFE or CIP prior to commencement of the Offer Period (as required by Rule 24.3(c) of the Code) (of which there were none provided for in the Original Offer Document);

- (e) the terms of the Increased Offer (as required by Rule 24.3(d)(v) of the Code), other than as set out in Parts I and II of this document;
- (f) any agreements or arrangements which relate to the invocation of the conditions to its offer (as required by Rule 24.3(d)(xii) of the Code);
- (g) irrevocable commitments and letters of intent (as required by Rule 24.3(d)(xiii) of the Code) (of which there were none provided for in the Original Offer Document);
- (h) post-offer undertakings (as required by Rule 24.3(d)(xviii) of the Code) (of which there were none provided for in the Original Offer Document);
- (i) any offer-related arrangements etc. permitted under, or excluded from, Rule 21.2 (as required by Rule 24.3(d)(xix) of the Code) (of which there were none provided for in the Original Offer Document);
- (j) profit forecasts and quantified financial benefits statements (as required by Rule 24.3(d)(xxi) of the Code) (of which there were none provided for in the Original Offer Document);
- (k) financing arrangements (as required by Rule 24.3(f) of the Code);
- (l) interests and dealings in relevant securities (as required by Rule 24.4 of the Code);
- (m) the effect of the Increased Offer on the emoluments of the offeror's directors (as required by Rule 24.5 of the Code) (of which there were none provided for in the Original Offer Document);
- (n) any special arrangements, including management incentivisation arrangements (as required by Rule 16.2 and Rule 24.6 of the Code);
- (o) the ultimate owner of any securities acquired (as required by Rule 24.9 of the Code);
- (p) any arrangements of the kind referred to in Note 11 on the definition of acting in concert (as required by Rule 24.13 of the Code); or
- (q) fees and expenses (to the extent required under Rule 24.16 of the Code).

11. Documents to be published on a website

11.1 Copies of the following documents will be published on CFE's website at <https://cfe-finance.com/public-documents/> while the Offer remains open for acceptance:

- (a) the Rule 2.7 Announcement;
- (b) the Increased Offer Announcement;
- (c) the articles of association of CFE;
- (d) the memorandum and articles of association of CIP;
- (e) CFE's audited financial statements for the years ended 30 June 2020 and 30 June 2021;
- (f) the documents relating to the financing of the Offer described in paragraph 5 above of this Part V.
- (g) the letter of consent referred to in paragraph 9.8;
- (h) the announcement relating to the posting of the Increased Offer Document; and
- (i) the Original Offer Document, this document and the Form of Acceptance.

12. Documents incorporated by reference

CIP financial information

12.1 Part III incorporates financial information on the CIP Group by reference to CIP's audited annual report and accounts for the financial periods ended 30 June 2021, 31 December 2020 and 31 December 2019. These documents are published on the following website:

<https://cipmerchantcapital.com>

CFE financial information

12.2 Part IV incorporates financial information on the CFE Group by reference to CFE's audited annual report and accounts for the financial periods ended 30 June 2021 and 30 June 2020. These documents are published on the following website:

<https://cfe-finance.com/public-documents/>

General

12.3 Any CIP Shareholder or other person to whom this document is sent by CFE may request a copy of the information incorporated by reference into this document in hard copy form. A hard copy of such documents will not be sent to such persons unless requested by telephone from the Receiving Agent on 0371 664 0321 (when telephoning from inside the UK) or +44 0371 664 0321 (when telephoning from outside the UK). Calls to the 0371 664 0321 number are charged at the standard geographic rate and will vary by provider. Calls to the +44 0371 664 0321 number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and timing purposes.

If requested, hard copies will be provided within two Business Days of such request.

13. Date of despatch and publication

13.1 This document was published and despatched on 18 March 2022.

PART VI

Form of affidavit for persons resident in The Bahamas

CIP MERCHANT CAPITAL LIMITED

(the “**Company**”)

AFFIDAVIT AS TO ACCREDITED INVESTOR STATUS

FOR BAHAMIAN RESIDENTS

(Corporate entity)

We,(insert name of corporate entity) (“**Seller**”),
an international business company incorporated or established under the laws of The Bahamas and with
registered office situated at
(insert registered office address) make oath and say as follows:

1. We are an “accredited investor” as defined in section 2 of the Securities Industry Regulations, 2012 of The Bahamas on the basis that:

(Check all that may apply):

- We are a bank (i) licensed under the Banks and Trust Companies Regulation Act of The Bahamas or (ii) licensed and operating outside of The Bahamas, whether acting in our individual or fiduciary capacity.
- We are (i) a firm which is registered under the Securities Industry Act, 2011 of The Bahamas to carry on securities business in The Bahamas or (ii) a company registered to conduct securities business and operating outside of The Bahamas, acting for our own account.
- We are an insurance company which is (i) registered under the Insurance Act of The Bahamas or (ii) licensed and operating outside of The Bahamas.
- We are an investment fund which is (i) licensed or registered under the Investment Funds Act, 2019 of The Bahamas or (ii) regulated and operating outside of The Bahamas.
- We are the authorized representative of an employee benefit plan (i) where the investment decisions are made by a plan fiduciary, which is a bank or trust company licensed under the Banks and Trust Companies Regulation Act of The Bahamas, an insurance company registered under the Insurance Act of The Bahamas, or a firm which is registered under the Securities Industry Act, 2011 of The Bahamas to carry on securities business, or (ii) which has total assets in excess of five million dollars (\$5,000,000).
- We own total assets in excess of five million dollars (\$5,000,000), not formed for the specific purpose of acquiring equity interest in the Company.
- We are an entity in which all of the equity owners are accredited investors.
- We are the Government of The Bahamas or a public authority established in The Bahamas.
- We are the Government of a jurisdiction outside of The Bahamas or an agency of that Government.
- We are (i) selling the equity interests in the Company on behalf of an account that is managed on a fully discretionary basis by us and (ii) registered or authorised to carry on business as an adviser managing securities on a discretionary basis under the laws of The Bahamas or a foreign jurisdiction.
- We are a person that is recognized or designated by the Securities Commission of The Bahamas as an accredited investor.

2. We acknowledge that the offer to purchase securities in the Company (the “Offer”) has not been registered with the Securities Commission of The Bahamas, nor have any applications been made to exempt the Offer from the filing of a prospectus with the Securities Commission of The Bahamas under

the Securities Industries Act, 2011, and in the circumstances, the offer is not intended to be made available in The Bahamas and may only be accepted by persons that are accredited investors.

3. The contents of this Affidavit are correct and true to the best of my knowledge, information and belief.
4. We shall provide an updated affidavit immediately if there is any change to our status as accredited investor.

SWORN TO at:

(insert city where Affidavit sworn)

(insert Country where Affidavit sworn)

this _____ day of
_____, 20_____ }

By: _____

For and on behalf of the Purchaser

Name: _____

Title: _____

Before me,

PART VII

Definitions

Unless the context otherwise requires and save to the extent superseded in this document, the definitions and rules of interpretation used in the Original Offer Document shall also apply in this document, together with the following definitions:

CIP Response Document	CIP's response to the Original Offer Document which was sent to CIP's Shareholders on 14 February 2022;
Form of Acceptance	the form of acceptance and authority relating to the Increased Offer which accompanies this document or the form of acceptance and authority relating to the Offer which accompanied the Original Offer Document, as applicable, which may only be completed by holders of CIP Shares in certificated form
Increased Offer	the increased cash offer made by CFE at the Increased Offer Price to acquire all the CIP Shares not otherwise held by CFE on the terms and subject to the condition set out in this document and, in the case of CIP Shares held in certificated form, the Form of Acceptance including, where the context so requires, any subsequent revision, variation, extension or renewal of such offer
Increased Offer Announcement	the announcement by CFE on 16 March 2022 in connection with the Increased Offer
Increased Offer Document	this document and any subsequent document containing the Increased Offer
Increased Offer Price	60 pence per CIP Share
Original Offer Document	the offer document dated 31 January 2022 sent to CIP Shareholders in respect of the Offer
Original Offer Price	the offer price of 55 pence per share announced on 14 January 2022

All references to legislation in this document are to English legislation unless the contrary is indicated. References to legislation shall include any amendment, modification, re-enactment or extension to such legislation and to any regulation, instrument or order or other subordinate legislation made under such legislation.

All references to time in this document are to London time.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

Terms defined in the CREST manual shall, unless the context otherwise requires, bear the same meanings where used in this document.

