

31 January 2023

The following amendments have been made to the Circular, Notice of General Meeting, Change of Investing Policy and Proposed Placing announcement released on 31 January 2023 at 8:44 under RNS number 39090:

Under the heading "Related Party Transaction" the first paragraph has changed from:

"On 30 January 2023, in consideration for Elypsis Solutions Limited ("**Elypsis**") and Asia Private Credit Fund ("**APCF**"), which are associated with each other and together represent the Company's largest shareholding with 47.91% of the issued voting shares (the "**Shareholding**"), providing an irrevocable undertaking to vote in favour of the Resolutions, the Company entered into a conditional put option agreement with Elypsis and APCF (the "**Put Option Agreement**"). Under the terms of the Put Option Agreement the Company has conditionally agreed to buy back a pro-rated amount of the Shareholding at a price equal to or greater than 2p per share on each occasion that the Company completes an equity fundraising (unless and to the extent any part or all of the Shareholding is sold into any placing) until the Shareholding has either been entirely bought back or sold, as the case may be. Such a buy back is conditional, inter alia, on the passing of the Resolutions. If the put option is exercised, the Company will make a buyback offer in relation to the same pro rata amount of all other current existing shares held by Depositary Interest Holders on the Buy Back Record Date on the same terms."

To:

"On 30 January 2023, in consideration for Elypsis Solutions Limited ("**Elypsis**") and Asia Private Credit Fund ("**APCF**"), which are associated with each other and together represent the Company's largest shareholding with 47.91% of the issued voting shares (the "**Shareholding**"), providing an irrevocable undertaking to vote in favour of the Resolutions, the Company entered into a conditional put option agreement with Elypsis and APCF (the "**Put Option Agreement**"). Under the terms of the Put Option Agreement the Company has conditionally agreed to buy back a pro-rated amount of the Shareholding at a price equal to or greater than 2p per share on each occasion that the Company completes a further equity fundraising (unless and to the extent any part or all of the Shareholding is sold into any placing) until the Shareholding has either been entirely bought back or sold, as the case may be. Such a buy back is conditional, inter alia, on the passing of the Resolutions. The pro-rata term is such that the put option is capable of being exercised in respect of the full Shareholding if the Company raises an aggregate of \$12m in further fundraisings beyond the current proposed Equity Fundraise. If the put option is exercised, the Company will make a buyback offer in relation to the same pro rata amount of all other current existing shares held by Depositary Interest Holders on the Buy Back Record Date on the same terms."

All other details remain unchanged.

The full amended text is shown below.

JADE ROAD INVESTMENTS LIMITED

("Jade Road Investments", "JADE", the "Company" or the "Group")

Circular, Notice of General Meeting, Change of Investing Policy and Proposed Placing

Jade Road Investments Limited (AIM: JADE), the London quoted pan-Asian diversified investment vehicle focused on providing shareholders with attractive uncorrelated, risk-adjusted long-term returns is pleased to announce today the publication of a circular "**Circular**" containing a notice of general meeting to be held at 10 am on Monday 20 February at 29/F Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong.

The Company is intending to raise equity finance of up to US\$1,750,000 by issuing 191,256,831 new Ordinary Shares ("**New Ordinary Shares**") at a price of £0.0075 per Ordinary Share ("**Issue Price**") (using a pre-determined exchange rate of US\$1.22 to £1) ("**Equity Fundraise**"). The Equity Fundraise is being entirely underwritten by Heirloom, who has agreed to purchase any number of New Ordinary Shares not otherwise purchased by prospective placees introduced to the Company by the Placing Agent.

Completion of the Equity Fundraise is conditional, inter alia, on all of the Resolutions being passed by the Shareholders at the general meeting. They are as follows:

- the waiver of the application of Article 46 (Takeover Provisions) to the Underwriting in its entirety (the "**Waiver Resolution**");
- the approval of the New Investing Policy;
- the adoption of an amended and restated Memorandum of Association; and
- the resolutions regarding the Company's shares, including the grant of authority to the Directors to buy back Ordinary Shares.

The Circular provides the background and reasons for the Equity Fundraise, the waiver of Article 46 (Takeover Provisions), the proposed New Investing Policy, the adoption of an amended and restated Memorandum of Association and the reasons for the authority to allot and buy back Ordinary Shares.

The Circular, which includes the notice of the General Meeting has been sent to shareholders on 31 January 2023, it will be available on the company's website at <http://jaderoadinvestments/documents>.

The details of the circular are repeated below.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Jonathan Charles

About Jade Road Investments

Jade Road Investments Limited is quoted on the AIM Market of the London Stock Exchange and is committed to providing shareholders with attractive uncorrelated, risk-adjusted long-term returns from a combination of realising sustainable capital growth and delivering dividend income.

The Company is focused on providing growth capital and financing to emerging and established Small and Medium Enterprises (SME) sector throughout Asia, and is well-diversified by national geographies, instruments and asset classes. This vital segment of the economy is underserved by the traditional banking industry for regulatory and structural reasons.

The Company's investment manager, Harmony Capital, seeks to capitalise on its team's established investment expertise and broad networks across Asia. Through rigorous diligence and disciplined risk management, Harmony Capital is dedicated to delivering attractive income and capital growth for shareholders with significant downside protection through selectively investing in assets and proactively managing them.

Harmony Capital is predominately sourcing private opportunities and continues to create a strong pipeline of attractive income-generating assets from potential investments in growth sectors across Asia, including healthcare, fintech, hospitality, IT and property.

JADE ROAD INVESTMENTS LIMITED
(Incorporated and registered in the British Virgin Islands, registered no. 1459602)
Underwritten equity fundraise of up to US\$1,750,000
and
Waiver of Article 46 (Takeover Provisions) of the Articles of Association
and
Proposed New Investing Policy
and
Adoption of an amended and restated Memorandum of Association
and
Authority to allot Ordinary Shares
and
Authority to buy back Ordinary Shares

Your attention is drawn to the letter from the Executive Chairman of the Company set out on pages 11 to 18 of this document, which contains the unanimous recommendation of the Board that you vote in favour of the resolutions to be proposed at the General Meeting referred to below.

Notice of a General Meeting of the Company to be held on Monday 20 February 2023, commencing at 10:00 a.m. GMT/ 6:00 p.m. HKT is set out at the end of this document. Shareholders should ensure that the enclosed Form of Proxy is completed and returned in accordance with the instructions printed on it to Computershare Investor Services (BVI) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY or by hand (during normal business hours only) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE so as to be received by not later than 10:00 a.m. (GMT) on Thursday 16 February 2023 or 48 hours before any adjourned meeting. Depositary Interest Holders should ensure that the Form of Instruction is received no later than 10:00 a.m. GMT / 6:00 p.m. HKT on Wednesday 15 February 2023 or 72 hours before any adjourned meeting. Completion and return of a Form of Proxy or a Form of Instruction will not preclude a Shareholder or a Depositary Interest Holder from attending in person and voting at the General Meeting.

The Company and the Directors accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and contains no omission likely to affect the import of such information.

To the extent information has been sourced from a third party, this information has been accurately reproduced and, as far as the Directors and the Company are aware, no facts have been omitted which may render the reproduced information inaccurate or misleading. In connection with this document, no person is authorised to give any information or make any representation other than as contained in this document.

This document contains forward looking statements, including, without limitation, statements containing the words "believe", "anticipated", "expect", and similar expressions. Such forward looking statements involve unknown risk, uncertainties and other factors which may cause the actual results, financial condition, performance or achievements expressed or implied by such forward looking statements to be materially different. In light of these issues, uncertainties and assumptions, the events described in the forward looking statements in this document may not occur. Subject to legal or regulatory requirements, the Company disclaims any obligation to update any such forward looking statements in this document to reflect future events or developments.

Copies of this document will be available free of charge during normal business hours on any weekday (except public holidays) at the offices of Locke Lord LLP, Second Floor, 201 Bishopsgate, London EC2M 3AB from the date of this document until the expiry of one month from that date. Please refer to page 15 of this document for further details of the proposed New Investing Policy.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

This Circular sent to Shareholders

31 January 2023

Latest time and date for receipt of Forms of Instruction

10:00 a.m. GMT on 15 February 2023

Latest time and date for receipt of Forms of Proxy

10:00 a.m. GMT on 16 February 2023

STATISTICS

| | |
|---|------------------|
| Existing issued shares of the Company | 117,925,673 |
| Number of Placing Shares | 191,256,831 |
| Ordinary Shares to be issued to the Investment Manager | 2,179,011 |
| Total issued shares of the Company upon completion of the Placing ^[1] | 309,182,503 |
| Percentage of the total issued shares of the Company represented by Placing Shares ^[2] | 61.86% |
| Number of Existing Warrants | 17,567,663 |
| Number of Noteholder Warrants | 15,435,686 |
| Number of Underwriter Warrants | up to 10,000,000 |

DIRECTORS AND ADVISERS

Directors: John Croft (*Executive Chairman*)
 Hugh Viscount Trenchard (*Non-Executive Director*)
 Dr Lee George Lam (*Non-Executive Director*)
 Stuart Crocker (*Non-Executive Director*)
 John Batchelor (*Non-Executive Director*)

Registered Office: Commerce House, Wickhams Cay 1
 PO Box 3140
 Road Town, Tortola
 British Virgin Islands VG1110

Principal Place of Business: 29/F Infinitus Plaza
 199 Des Voeux Road Central
 Hong Kong

Company Secretary: Conyers Corporate Services (BVI) Limited
 Commerce House, Wickhams Cay 1
 PO Box 3140
 Road Town, Tortola
 British Virgin Islands VG1110

Investment Manager: Harmony Capital Investors Limited
 Intertrust Corporate Services (Cayman) Limited
 190 Elgin Avenue, George Town
 Grand Cayman, KY1-9007
 Cayman Islands

English Lawyers to the Company: Locke Lord (UK) LLP
 Second Floor
 201 Bishopsgate
 London EC2M 3AP

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|--|---|
| BVI Lawyers to the Company: | Conyers Dill & Pearman 29th Floor, One Exchange Square 8 Connaught Place Central Hong Kong |
| Auditors: | PKF Littlejohn LLP 15 Westferry Circus London E14 4HD |
| Registrars: | Computershare Investor Services (BVI) Limited Woodbourne Hall PO Box 3162 Road Town, Tortola British Virgin Islands |
| Depository Interest Registrars: | Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE |
| Placing Agent: | Hybridan LLP 1 Poultry London EC2R 8EJ |
| Underwriter: | Heirloom Investment Management LLC Suite 105, 501 Silverside Road Wilmington Delaware 19809 United States of America |
| Company Website: | www.jaderoadinvestments.com |

DEFINITIONS

| | |
|-------------------------------|--|
| "Admission" | the admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules |
| "AIM Rules" | the AIM Rules for Companies and AIM Note for Investing Companies as published and amended from time to time by the London Stock Exchange |
| "Articles" | the amended and restated articles of association of the Company |
| "Buy Back Record Date" | the record date for the proposed buy back of Ordinary Shares to be undertaken by the Company, being 5 p.m. GMT on 16 February 2023 |
| "BVI" | British Virgin Islands |
| "Circular" | this document |
| "Company" or "Jade" | Jade Road Investments Limited, a company registered in the BVI with registered number 1459602 |
| "CREST" | the electronic systems for the holding and transfer of shares in dematerialised form operated by Euroclear UK & International Limited |
| "Depository" | Computershare Investor Services PLC |

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|-------------------------------------|--|
| "Depository Interest Holder" | a holder of Depository Interests |
| "Depository Interests" | the depository interests in respect of the underlying Ordinary Shares |
| "Directors" or "Board" | the existing board of directors of the Company |
| "Elypsis" | Elypsis Solutions Limited, a company incorporated under the laws of the British Virgin Islands with company number 1651099 |
| "Equity Fundraise" | has the meaning given to it in paragraph 1 of Part 1 |
| "Existing Warrants" | the 17,567,663 warrants previously authorised and constituted by the Company |
| "Form of Instruction" | the depository interest form of instruction enclosed with this document for use at the GM |
| "Form of Proxy" | the form of proxy enclosed with this document for use at the GM |
| "General Meeting" or "GM" | the general meeting of the Company to be held at 10.00 a.m. GMT/6.00 p.m. HKT time on Monday 20 February 2023 |
| "GMT" | Greenwich Mean Time |
| "Gross Placing Proceeds" | the gross amount raised by the Placing Agent pursuant to the Equity Fundraise |
| "Heirloom" | Heirloom Investment Management LLC, or any one of its affiliates, advised or managed clients, or nominees |
| "HKT" | Hong Kong Time |
| "Investing Policy" | the investing policy of the Company from time to time |
| "Investment Manager" | the investment manager of the Company from time to time and as at the date of this document, Harmony Capital Investors Limited |
| "Issue Price" | has the meaning given to it in paragraph 1 of Part 1 |
| "Loan Note Instrument" | has the meaning given to it in paragraph 1 of Part 1 |
| "London Stock Exchange" | London Stock Exchange plc |
| "New Investing Policy" | the proposed new Investing Policy, further details of which are set out in Letter from the Executive Chairman on pages 11 to 18 of this document |
| "Noteholder Warrants" | the 15,435,686 warrants constituted by an instrument dated on or about the date of this document and to be issued to Noteholders pursuant to the terms of the Loan Note Amendments |
| "Notice of General Meeting" | the notice of GM set out at the end of this document |
| "Ordinary Shares" | ordinary shares of no par value each of the Company |
| "New Ordinary Shares" | has the meaning given to it in paragraph 1 of Part 1 |
| "Placing Agent" | Hybridan LLP of 1 Poultry, London, EC2R 8EJ |
| "Relationship Agreement" | the relationship agreement entered into on 29 January 2014 between the Company and Elypsis setting out certain undertakings and obligations of Elypsis in order to ensure that its dealings with the Company are carried out at arm's length, notwithstanding its significant shareholding |
| "Resolutions" | the resolutions proposed in the Notice of General Meeting at the end of this document |
| "Shareholder(s)" | holder(s) of Ordinary Shares |
| "Underwriter" | Heirloom |

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|---------------------------------|--|
| "Underwriter Warrants" | up to a maximum of 10,000,000 warrants, constituted by an instrument dated on or about the date of this document and to be issued to the Underwriter pursuant to the terms of the Underwriting Agreement |
| "Underwriting Agreement" | the underwriting agreement entered into by the Underwriter and the Company on or about the date of this document |
| "United Kingdom" or "UK" | the United Kingdom of Great Britain and Northern Ireland |
| "US\$" | US dollars |
| "Waiver Resolution" | has the meaning given to it in paragraph 1 of Part 1 |

All references to dates and times in this document are to GMT unless otherwise stated. References to the singular shall include references to the plural, where applicable, and vice versa.

PART 1 LETTER FROM THE EXECUTIVE CHAIRMAN

JADE ROAD INVESTMENTS LIMITED
(Incorporated in the British Virgin Islands with registration number 1459602)

Directors:

John Croft (*Executive Chairman*)
Hugh Viscount Trenchard (*Non-Executive Director*)
Dr Lee George Lam (*Non-Executive Director*)
Stuart Crocker (*Non-Executive Director*)
John Batchelor (*Non-Executive Director*)

Registered Office:

Commerce House, Wickhams Cay 1
PO Box 3140
Road Town, Tortola
British Virgin Islands, VG1110

31 January 2023

Dear Shareholder,

Underwritten equity fundraise of up to US\$1,750,000 Waiver of Article 46 (Takeover Provisions) of the Articles Proposed New Investing Policy Adoption of an amended and restated Memorandum of Association Authority to allot Ordinary Shares Authority to buy back Ordinary Shares

Introduction

The Company is intending to raise equity finance of up to US\$1,750,000 by issuing 191,256,831 new Ordinary Shares ("**New Ordinary Shares**") at a price of £0.0075 per Ordinary Share ("**Issue Price**") (using a pre-determined exchange rate of US\$1.22 to £1) ("**Equity Fundraise**"). The Equity Fundraise is being entirely underwritten by Heirloom, who has agreed to purchase any number of New Ordinary Shares not otherwise purchased by prospective placees introduced to the Company by the Placing Agent.

Completion of the Equity Fundraise is conditional, inter alia, on all of the Resolutions being passed by the Shareholders at a duly convened general meeting. They are as follows:

- the waiver of the application of Article 46 (Takeover Provisions) to the Underwriting (as defined in paragraph 2) in its entirety (the "**Waiver Resolution**");
- the approval of the New Investing Policy as set out in paragraph 4 below;
- the adoption of an amended and restated Memorandum of Association; and
- the resolutions regarding the Company's shares, including the grant of authority to the Directors to buy back Ordinary Shares.

Paragraphs 2, 3, 4 and 6 respectively provide the background and reasons for the Equity Fundraise, the waiver of Article 46 (Takeover Provisions), the proposed New Investing Policy and the adoption of an amended and restated Memorandum of Association.

Furthermore, paragraphs 6 and 7 provide details on the reasons for the authority to allot further Ordinary Shares, the authority to be granted to Directors to buy back Ordinary Shares and the recent amendments to the Company's loan note instrument dated 20 October 2019 constituting up to US\$10,000,000 12.5% fixed rate secured loan notes 2022 ("**Loan Note Instrument**").

Background to and reasons for the Underwritten Equity Fundraise

The Directors believe the Equity Fundraise is in the best interests of all shareholders of the Company for the following reasons:

- it will provide the Company, in conjunction with managing its creditors, with working capital until Q4 2023 allowing the Company to pursue orderly disposals of its existing portfolio, recycle that capital and potentially make

modest initial new investment(s) pursuant to the New Investing Policy;

- allow the Company time to structure and market a more significant equity fundraising, completion of which, together with the returns from any material exits from the existing portfolio, would allow the Company to pursue more significant investments pursuant to the New Investing Policy; and
- the proposals have the support of the Company's convertible loan note holders who have accepted a restructuring of their debt, including principally to extend its maturity until 31 December 2023.

The Equity Fundraise is being undertaken at the following discounts:

70.59% to the share price of 2.55p on 25 January 2023, being the last trading day before this Circular was approved for publication; and

98.47% to the last published Net Asset Value per share of £0.49 on 30 June 2022.

The Directors note the fact that there is a significant disparity between the market capitalization of the Company at the Issue Price (assuming the Equity Fundraise is completed) and the last published net asset value of the Company's portfolio of assets. The Directors remind Shareholders of the difficulty of realizing the full value of those assets, which the Directors believe can be achieved, but will likely take a material amount of time and money to complete.

The Company has instructed the Placing Agent to identify prospective placees, and Heirloom will subscribe for all New Ordinary Shares not otherwise purchased by a placee. The Equity Fundraise will result in the issue of a total of 191,256,831 New Ordinary Shares, representing, in aggregate, approximately 61.86% of the issued shares of the Company as enlarged by the issue of the New Ordinary Shares.

Subject to the approval of the Resolutions, application will be made to London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM and such admission is expected to occur on Tuesday 21 February 2023 and in any event no later than 8:00 a.m. on Wednesday 22 February 2023.

The New Ordinary Shares, when issued and fully paid, will rank *pari passu* in all respects with the existing Ordinary Shares in issue and therefore will rank equally for all dividends or other distributions declared, made or paid after the issue of the New Ordinary Shares on Admission.

Accordingly, the Company has engaged the Placing Agent to carry out the Placing pursuant to an engagement letter dated 17 January 2023 and expects to enter into a placing agreement with the Placing Agent on market standard terms.

The Equity Fundraise is being underwritten by Heirloom pursuant to an underwriting agreement with the Company entered into on the date of this document (the "**Underwriting**" and "**Underwriting Agreement**"), the terms of which are as follows:

- Heirloom will underwrite the entirety of the US\$1,750,000 to be raised under the Equity Fundraise;
- Heirloom will be paid a fee ("**Underwriting Fee**") comprising (i) 5% of an amount equalling US\$1,750,000 less the Gross Placing Proceeds, to be satisfied by the issue of such number of new Ordinary Shares at the Issue Price as shall equal that amount, and (ii) 5% of the Gross Placing Proceeds, to be satisfied by the grant of the resulting number of Underwriter Warrants at an exercise price per Ordinary Share equalling the Issue Price, to be exercisable over a three-year period from the date of grant; and
- the Underwriting is conditional, *inter alia*, on (i) the publishing of this Circular; and (ii) the passing of the Resolutions contemplated herein.

The Underwriter Warrants will not be admitted to trading on AIM or any other stock market and are not transferable (save to affiliates of Heirloom).

Waiver of Article 46 (Takeover Provisions)

The Company is registered in the British Virgin Islands and is not subject to the UK City Code on Takeovers and Mergers.

In accordance with Article 46 (Takeover Provisions), where a Shareholder (or persons acting in concert with such Shareholder) acquires Ordinary Shares which, in aggregate, carry 30 per cent. or more of the voting rights of the Company, such Shareholder is required to make an offer to all other Shareholders.

Should Heirloom be required to underwrite the entirety of the Equity Fundraise, Heirloom will acquire, in aggregate, more than 30 per cent. of the Company's total issued shares post-Equity Fundraise, and unless waived pursuant to the Waiver Resolution, Article 46 would require Heirloom to make an offer to all other Shareholders ("**Mandatory Offer**"). In the event that Heirloom was required to make such a Mandatory Offer and it was completed upon its terms, Heirloom would become the sole Shareholder of the Company. In addition, executing such a Mandatory Offer would incur significant costs for the Company.

To avoid Heirloom being required to make a Mandatory Offer, the Directors are proposing that Article 46 be waived in its entirety to the extent that it applies to the Underwriting. Pursuant to Article 46, Heirloom will not be able to vote on the Waiver Resolution. Heirloom currently owns 10,068,676 Ordinary Shares, representing 8.73 per cent. of the current issued shares of the Company entitled to vote.

The proposed New Investing Policy

Current Investing Policy

The current Investing Policy, as set out in the Company's circular to Shareholders dated 3 May 2017, is as follows:

The Company has an indefinite life and is targeting both capital gains and income distributions for its Shareholders over time.

The Company will provide equity and credit funding to companies, principally in the Pan-Asia region or with a connection to Asia. It will seek to do this by:

providing funding directly to companies via the provision of loans or other credit instruments which may be secured against assets of the borrower or its affiliates;

providing funding to companies to accelerate their growth, expand the scale of their business and/or to consolidate their organizational structure in preparation for a public listing. Investments could be in the form of structured equity, debt and hybrid debt securities;

providing growth, development and acquisition capital in the form of equity or quasi-equity to companies within growth industries;

providing funding to transactions structured around significant corporate events such as recapitalisations, debt restructurings, buybacks of shares, asset spin-offs and corporate reorganisations;

investing in publicly traded or 'over the counter' traded equity or credit securities, such as preferred stock, common stock, high yield bonds, senior loans, warrants, where the market is mispricing a company's securities and thereby offering an attractive risk adjusted return due to one-off or short term factors; and

investing (in addition to securing co-investment rights for the Company) as a limited partner or shareholder in third party managed vehicles which have a strategy to provide credit and/or equity funding to companies in a specific industry.

The Company will be sector agnostic in its investment activities.

New investments will be managed actively, including through appropriate investor protections which will be negotiated on each transaction as appropriate and relevant.

The Company will consider using debt to finance transactions on a case by case basis and may assume debt on its own balance sheet when appropriate to enhance returns to Shareholders and/or to bridge the financing needs of its investment pipeline.

The Company may decide to dispose of or exit, partially or fully, existing investments in the Company's portfolio where appropriate and based on the recommendations of the Investment Manager.

The Company intends to pursue its publicly stated objective of monetising its legacy portfolio and will report on its progress when dispositions are achieved.

Modified Investing Policy

The Directors believe that there is an excellent long-term opportunity to provide financing, primarily backed by real assets, with a primary focus on income-production and a secondary focus on capital gains. The Directors believe that by investing in asset-backed assets that are income-generating, the Company will be provided with more certainty when predicting future cash flows, thus allowing it to plan an appropriate dividend policy in due course. It is believed that this will allow for the optimal delivery of shareholder value in the form of the payment of a safe, consistent dividend yield at an attractive spread to other yielding options, while growing the underlying capital base of the Company.

In order to take advantage of this opportunity and to deliver this shareholder value, the Company requires an updated Investing Policy that will permit it to take advantage of the best risk-adjusted investments globally, provided the majority of them are asset-backed and/or income producing and backed by legal jurisdictions that the Directors are comfortable with and provide a safe underpinning to allow for the Company to earn its return and recoup its investment as per the terms of the financing that it agrees to.

Moreover, given the long-term nature of the Company's investment horizon, the Directors believe that an updated Investing Policy should enable the Company to navigate changes in the relative attractiveness of various financing opportunities through varying economic cycles and geopolitical shifts.

Finally, and most importantly, the Board expects the Company's investment portfolio to be repositioned over time such that it generates both income and capital gains.

In order to facilitate the Company's strategic objectives, the Company is proposing the Resolution to amend the Investing Policy to the following:

- 1) The Company has an indefinite life, is sector agnostic and is targeting assets in any class which will produce income returns, with a secondary focus on capital gains over time for its Shareholders.
- 2) The Company will seek the best risk-adjusted returns globally, with a preference for investments governed by legal systems that the Company understands and believes to be reliable.
- 3) The Company may invest directly into listed securities, over-the-counter traded securities, currencies, companies, real assets, contractual obligations, or commodities ("**Direct Financings**").
- 4) The Company may provide financing to entities, becoming a lender to, or a limited partner or shareholder of, an affiliated or third party which itself has a strategy to invest in underlying listed securities, over-the-counter traded securities, currencies, companies, real assets, contractual obligations or commodities ("**Indirect Financings**").
- 5) The Company shall ensure that at the time of entering into a Direct Financing, it shall represent not more than 30% of the Company's net asset value immediately following the relevant transaction. There is no limit on the number of investments the Company may take.
- 6) The Company shall ensure that at the time of entering into an Indirect Financing, no underlying asset of the indirectly financed entity shall represent more than 30% of the Company's net asset value immediately following the relevant transaction.
- 7) There is no restriction on the duration the Company will hold any investment nor any restriction on the time for the Company to make its investments in such assets.
- 8) The Company will pursue a predominantly passive management strategy. However, on a case by case basis, it may consider securing additional governance rights such as observer or board appointments where

the situation or asset dictates such additional oversight.

- 9) The Company may utilise gearing when appropriate. The Company will continue to exercise prudence in determining whether prevailing market conditions and investor expectations warrant the utilisation of any leverage over its portfolio.
- 10) The Company will consider issuing its own shares as consideration for interests in other companies but such cross holdings will be limited to 20 per cent. of the Company's issued shares in aggregate from time to time.

The Directors believe that the proposed change of Investing Policy will broaden the Company's activities and allow it to build a portfolio of investments producing income and with the potential for capital gains. The Directors further believe that the change of Investing Policy also enables the Company to:

- increase the breadth of the transactions and opportunities it can consider;
- lower its overall investment risk by increasing diversification and shifting geographic focus toward more stable geographies with stronger legal systems; and
- implement its long-term objective of providing Shareholders with a stock that produces income and retains the potential for appreciation.

The Board and the Investment Manager each have extensive international experience across a range of industries and asset classes. Income-producing assets which are backed by real assets have already been indicatively assessed as part of the Investment Manager's internal processes and while no specific commitments have been entered into, the Board and Investment Manager are comfortable in their ability to execute the New Investing Policy.

Increase in maximum number of shares authorised for issue; adoption of an amended and restated Memorandum and Association

The Company proposes to increase the maximum number of shares it is authorized to issue to a maximum of 2,348,233,198 shares. The Company will amend clause 5 of its memorandum of association and adopt an amended and restated Memorandum of Association, reflecting such amendment, as follows:

"5. NUMBER AND CLASSES OF SHARES

The Company is authorised to issue up to a maximum of 2,348,233,198 ordinary shares of a single class without a par value".

The amendment will increase the maximum number of shares being available for issue by the Directors going forwards and will also ensure that the Company will have sufficient headroom to allot outstanding Ordinary Shares owed to the Investment Manager, to complete the Equity Fundraise, and to raise further equity capital when required (please see paragraph 6 for further information).

Authority to allot and buy back Ordinary Shares

In order to ensure that the Company can complete the Equity Fundraise and raise further equity capital when required, the Board is proposing that the Directors be granted a mandate to allot up to a maximum of 743,435,842 Ordinary Shares for cash consideration, representing 33.33% (one-third) of the unissued Ordinary Shares of the Company and comprising (a) 191,256,831 Ordinary Shares pursuant to the Equity Fundraise, (b) 2,179,011 Ordinary Shares due to the Investment Manager pursuant to a meeting of the Board dated 14 September 2021, and (c) 650,000,000 Ordinary Shares for any future equity fundraise as may be required (including, for the avoidance of doubt, the allotment of Ordinary Shares following any exercise of warrants). Subject to satisfaction of the Fundraising Condition, the Board is further proposing to offer all Shareholders holding Shares on the Buy Back Record Date the opportunity to sell those Ordinary Shares back to the Company and accordingly it is proposed that the Directors be granted a mandate to buy back up to 117,925,673 Ordinary Shares of the Company. These authorities will revoke the authorities previously granted at the Company's annual general meeting held on 14 September 2021, and will expire at the conclusion of the first annual general meeting of the Company following the passing of this resolution, unless otherwise renewed by ordinary resolution.

Related Party Transaction

On 30 January 2023, in consideration for Elypsis Solutions Limited ("**Elypsis**") and Asia Private Credit Fund ("**APCF**"), which are associated with each other and together represent the Company's largest shareholding with 47.91% of the issued voting shares (the "**Shareholding**"), providing an irrevocable undertaking to vote in favour of the Resolutions, the Company entered into a conditional put option agreement with Elypsis and APCF (the "**Put Option Agreement**"). Under the terms of the Put Option Agreement the Company has conditionally agreed to buy back a pro-rated amount of the Shareholding at a price equal to or greater than 2p per share on each occasion that the Company completes a further equity fundraising (unless and to the extent any part or all of the Shareholding is sold into any placing) until the Shareholding has either been entirely bought back or sold, as the case may be. Such a buy back is conditional, inter alia, on the passing of the Resolutions. The pro-rata term is such that the put option is capable of being exercised in respect of the full Shareholding if the Company raises an aggregate of \$12m in further fundraisings beyond the current proposed Equity Fundraise. If the put option is exercised, the Company will make a buyback offer in relation to the same pro rata amount of all other current existing shares held by Depositary Interest Holders on the Buy Back Record Date on the same terms.

The Directors (other than John Batchelor who is not independent) consider, having consulted with WH Ireland plc, the Company's nominated adviser, that the terms of the Put Option Agreement are fair and reasonable insofar as Shareholders are concerned for the purposes of AIM Rule 13 (Related Party Transactions).

Amendment to the loan note instrument

As announced on 1 December 2022, on 29 November 2022, the holders of loan notes ("**Noteholders**") in the Company issued pursuant to the Loan Note Instrument ("**Notes**") resolved by a 91.71% majority to amend the terms of the Loan Note Instrument by way of a supplemental instrument dated 1 December 2022 ("**Loan Note Amendments**").

The terms of the Loan Note Amendments include, among others:

- the extension of the maturity date to 31 December 2023 ("**Maturity Date**");
- the increase of the interest rate payable to Noteholders on the outstanding principal amount

or the Notes from 12.5% per annum to 15% per annum; and

- should US\$1,800,000 of the principal amount of the Notes remain outstanding by 30 June 2023, the interest rate will increase to 16% per annum until the Maturity Date.

Noteholders will also be issued with warrants equalling 5% of the net proceeds of the Equity Fundraise, exercisable over a three-year period with an exercise price equalling 150% of the Issue Price ("**Noteholder Warrants**"). The Noteholder Warrants will not be admitted to trading on AIM or any other stock market and are not transferable (save to affiliates of the transferring Warrantholder).

Working Capital

The Company is currently needing to manage its creditors and its working capital position is tight. The completion of the Equity Fundraise, in conjunction with the management of its creditors, would provide additional working capital until Q4 2023 and provide time to seek to realise funds from the divestment of its current investment portfolio and to seek to raise further new funds both for working capital and to make new investments in accordance with the proposed new investing policy.

Action to be taken

You will find the Notice of General Meeting set out at the end of this document. The GM (at which the Resolutions will be proposed) will be held at 10.00 a.m. GMT/6.00 p.m. HKT on Monday 20 February 2023. All the Shareholders are entitled to vote for or against the Resolution.

Shareholders will find a Form of Proxy enclosed for use at the General Meeting. Whether or not you intend to be present at the General Meeting, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible. To be valid, completed Forms of Proxy must be received by the Company's registrars, Computershare Investor Services (BVI) Limited, c/o at The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 10.00 a.m. GMT on Thursday 16 February 2023, being 48 hours before the time appointed for holding the General Meeting (excluding non-business days). Completion and return of a Form of Proxy will not preclude you from attending in person and voting at the General Meeting.

Depositary Interest Holders will find a Form of Instruction enclosed for use at the General Meeting. Whether or not you wish to be present at the General Meeting, you are requested to complete and return the Form of Instruction or lodge a vote through the CREST system in accordance with the instructions printed thereon as soon as possible. To be valid, completed Forms of Instruction must be received by the Depositary at The Pavilions, Bridgwater Road, Bristol BS99 6ZY no later than 10.00 a.m. GMT/6.00 p.m. HKT on Wednesday 15 February 2023, being 72 hours before the time appointed for holding the General Meeting (excluding non-business days). Completion of the Form of Instruction will not preclude you from attending and voting at the General Meeting in person if you so wish.

Recommendation and irrevocable undertaking

The Directors note the fact that there is a significant disparity between the market capitalization of the Company at the Issue Price (assuming the Equity Fundraise is completed) and the last published net asset value of the Company's portfolio of assets. The Directors remind Shareholders of the difficulty of realizing the full value of those assets, which the Directors consider will likely take a material amount of time and money to complete.

The Directors have approached Elypsis and APCF, together representing the Company's largest shareholding with 47.91% of the issued voting shares, to seek their support for the proposals, in particular the Equity Fundraise. **The Directors are pleased to report that Elypsis and APCF have entered into an irrevocable undertaking to vote in favour of all of the Resolutions.**

The Directors (other than John Batchelor who is not considered independent) recommend Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of the 383,732 Ordinary Shares in aggregate held by them at the date of this Circular.

Yours faithfully,

John Croft
Executive Chairman
Jade Road Investments Limited

PART 2 NOTICE OF GENERAL MEETING

JADE ROAD INVESTMENTS LIMITED

(Incorporated in the British Virgin Islands under the BVI Business Companies Act, 2004)
(the "**Company**")

NOTICE IS HEREBY GIVEN that the general meeting (the "**Meeting**") of the members of the Company will be held at 10.00a.m. GMT/6.00 p.m. HKT on Monday 20 February 2023 at 29/F Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1) WAIVER OF ARTICLE 46

THAT Article 46 (Takeover Provisions) as it applies to the subscription of ordinary shares of no par value each in the Company by Heirloom Management Investment LLC pursuant to an underwriting letter with the Company dated 30 January 2023 be waived in its entirety in accordance with Article 46.2.

2) NEW INVESTING POLICY

THAT the existing investing policy of the Company be replaced with a new investing policy as follows:

- (a) The Company has an indefinite life, is sector agnostic and is targeting assets in any class which will produce income returns, with a secondary focus on capital gains over time for its Shareholders.

- (b) The Company will seek the best risk-adjusted returns globally, with a preference for investments governed by legal systems that the Company understands and believes to be reliable.
- (c) The Company may invest directly into listed securities, over-the-counter traded securities, currencies, companies, real assets, contractual obligations, or commodities ("**Direct Financings**").
- (d) The Company may provide financing to entities, becoming a lender to, or a limited partner or shareholder of, an affiliated or third party which itself has a strategy to invest in underlying listed securities, over-the-counter traded securities, currencies, companies, real assets, contractual obligations or commodities ("**Indirect Financings**").
- (e) The Company shall ensure that at the time of entering into a Direct Financing, it shall represent not more than 30% of the Company's net asset value immediately following the relevant transaction. There is no limit on the number of investments the Company may take.
- (f) The Company shall ensure that at the time of entering into an Indirect Financing, no underlying asset of the indirectly financed entity shall represent more than 30% of the Company's net asset value immediately following the relevant transaction.
- (g) There is no restriction on the duration the Company will hold any investment nor any restriction on the time for the Company to make its investments in such assets.
- (h) The Company will pursue a predominantly passive management strategy. However, on a case by case basis, it may consider securing additional governance rights such as observer or board appointments where the situation or asset dictates such additional oversight.
- (i) The Company may utilise gearing when appropriate. The Company will continue to exercise prudence in determining whether prevailing market conditions and investor expectations warrant the utilisation of any leverage over its portfolio.
- (j) The Company will consider issuing its own shares as consideration for interests in other companies but such cross holdings will be limited to 20% percent of the Company's issued shares in aggregate from time to time.

3) AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION

- (a) **THAT** the Company increase the maximum number of shares it is authorized to issue to a maximum of 2,348,233,198 shares.
- (b) **THAT** clause 5 of the Company's currently adopted memorandum of association be deleted in its entirety and replaced with the following new clause:

5. NUMBER AND CLASSES OF SHARES

The Company is authorised to issue up to a maximum of 2,348,233,198 ordinary shares of a single class without par value.

- (c) **THAT** the Company adopts a new amended and restated memorandum and articles of association reflecting the Amendment in the form produced to the Meeting.
- (d) **THAT** the members of the Company be and hereby approve and ratify all issues of shares under all general mandates granted to the directors of the Company ("**Directors**") since 17 August 2018.

4) AUTHORITY TO ALLOT SHARES

THAT:

- (a) subject to paragraphs (b) and (c) of this Resolution and in accordance with the amended and restated articles of association of the Company (the "**Articles**"), the exercise by the board of Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and otherwise deal with the unissued shares of the Company (the "**Shares**") and to allot, issue or grant securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares or such convertible securities, and to make or grant offers, agreements, options and warrants which would or might require the exercise of such powers be generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall not extend beyond the Relevant Period but shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options and warrants which would or might require the exercise of such power after the end of the Relevant Period; and
- (c) the number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors for cash consideration pursuant to the approval in paragraph (a) of this Resolution, and otherwise than pursuant to the exercise of the subscription or conversion rights attaching to any warrants or any securities convertible into Shares or the exercise of the subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to persons such as officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares or any scrip dividend providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles, shall not exceed 33.33% (one-third) of the unissued Shares of the Company and the said approval shall be limited accordingly.

5) AUTHORITY TO BUY BACK SHARES

THAT:

- (a) subject to paragraph (b) of Resolution 4, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase or repurchase on AIM, a market operated by the London Stock Exchange plc on which the securities of the Company are traded and recognised by AIM for this purpose. Shares (including any form of depositary interests representing the right to receive

such Shares issued by the Company) and the exercise by the Directors of all powers of the Company to repurchase such securities, subject to and in accordance with all applicable laws and the requirements of both the AIM Rules for Companies and the AIM Rules for Nominated Advisers, be and are hereby generally and unconditionally approved; and

- (b) the number of Shares which may be purchased or repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 117,925,673 Shares of the Company, and the said approval shall be limited accordingly.

For the purposes of Resolutions 4 and 5:

"Relevant Period" means the period from the passing of the resolution until the conclusion of the first annual general meeting of the Company following the passing of the resolution, unless otherwise renewed by ordinary resolution passed at that meeting.

6) AUTHORITY OF DIRECTORS TO EXECUTE RELEVANT DOCUMENTS

THAT any director or officer of the Company be and is hereby authorised for and on behalf of the Company to execute and deliver all such other documents, instruments and agreements, whether under the seal of the Company or otherwise, and to do all such acts or things as may be necessary or desirable to give effect to the foregoing.

Notes to the Notice of General Meeting

1. In order to be entitled to attend and vote at the Meeting, a registered member must be on the Company's share register by close of business on 15 February 2023 or 48 hours for any adjourned meeting.
2. Subject to notes 3 and 5 below, only members are entitled to attend and vote at the Meeting.
3. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies (for holder of two or more shares) to attend and vote instead of that member. A proxy need not be a member of the Company. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be lodged with the Company's share registrar, Computershare Investor Services (BVI) Limited, c/o The Pavilions, Bridgwater Road, Bristol, BS99 6ZY no later than 10.00 a.m. (GMT)/6.00 p.m. (HKT) on Thursday 16 February 2023 or 48 hours before any adjourned meeting.
4. At the Meeting, the chairman of the Meeting will exercise his power under Article 15.1(a) of the Articles to put the above resolution to the vote by way of a poll.
5. Depositary Interest Holders who are CREST members and who wish to issue an instruction through the CREST electronic voting appointment service may do so by using the procedures described in the CREST manual (available from www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting services provider(s), who will be able to take the appropriate action on their behalf.

In order for instructions made using the CREST service to be valid, the appropriate CREST message (a CREST Voting Instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & International Limited (EUI) and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com).

The message, regardless of whether it relates to the voting instruction or to an amendment to the instruction given to the Depositary must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) no later than 10.00 a.m. (GMT)/6.00 p.m. (HKT) on Wednesday 15 February 2023. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the issuer's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST.

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

The Company may treat as invalid a CREST Voting Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Alternatively, holders of Depositary Interests can complete a Form of Instruction to appoint Computershare Company Nominees Limited, the Depositary's custodian, to vote on the holder's behalf at the General Meeting or, if the General Meeting is adjourned, at the adjourned meeting. To be effective, a completed and signed Form of Instruction (and any power of attorney or other authority under which it is signed) must be delivered to the offices of the custodian, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, UK by no later than 10.00 a.m. (GMT)/6.00 p.m. (HKT) on Wednesday 15 February 2023 or 72 hours before any adjourned meeting.

Entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Depositary Interest register at close of business on 14 February 2023. Changes to entries on the register after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.

^[1] Excluding any Ordinary Shares allotted by way of commission.

^[2] Excluding any Ordinary Shares allotted by way of commission.

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