

**THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take or the contents of this document, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended, if you are a resident in the United Kingdom or, if not, from another appropriately authorised financial adviser without delay.**

If you sell or otherwise transfer or have sold or otherwise transferred all of your registered holding of Shares, please send this document, together in the case of Ordinary Shareholders with the accompanying Form of Proxy, 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 delivery to the purchaser or transferee. However, such documents should not be sent, forwarded or transmitted in, into or from any jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction. If you sell or otherwise transfer or have sold or otherwise transferred part of your registered holding of Shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

The Company is an authorised closed-ended investment scheme pursuant to section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) and the Authorised Closed-Ended Investment Schemes Rules 2008 issued by the Guernsey Financial Services Commission.

This document has not been delivered to the Registrar of Companies in Guernsey or any other authority in any jurisdiction for registration.

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## **JZ CAPITAL PARTNERS LIMITED**

*(Incorporated in Guernsey as a non-cellular company limited by shares under The Companies (Guernsey) Law 2008 (as amended) with registered no. 48761)*

### **Recommended proposal to approve The Company's proposed disposal of its ownership interests in certain US microcap portfolio companies**

**and**

### **Notice of Extraordinary General Meeting**

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**This document does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security.**

This is not a prospectus but a shareholder circular. The distribution of this document in jurisdictions other than 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 these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Your attention is drawn to the Letter from the Chairman of the Company set out in Part I ("*Chairman's Letter*") of this document which contains the unanimous recommendation of the Directors of the Company that Ordinary Shareholders vote in favour of the Resolution to be proposed at the Extraordinary General Meeting of the Company in respect of which they are entitled to vote as the Directors intend to do in respect of their own beneficial holdings. Your attention is also drawn to the section entitled "*Proxy Form Accompanying this Document and Action to be Taken*" and paragraph 4 of the Letter from the Chairman of the Company set out in Part I ("*Chairman's Letter*") of this document which explains the Form of Proxy accompanying this document and the action to be taken by Ordinary Shareholders in respect thereof. This document and, if applicable, the accompanying Form of Proxy should be read in its entirety.

A Notice of Extraordinary General Meeting of the Company is set out at the end of this document. The Notice provides all Shareholders with notice of the Extraordinary General Meeting. Shareholders are advised that Ordinary Shareholders only have the right to attend and vote on the Resolution to be proposed at the Extraordinary General Meeting in respect of which they are entitled to vote. For the avoidance of doubt, ZDP Shareholders do not have the right to attend or vote at the Extraordinary General Meeting.

The Extraordinary General Meeting of the Company is to be held at 1.00 p.m. on 18 November 2020. The Extraordinary General Meeting is to be held at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL, Channel Islands.

The Company has been closely monitoring the evolving situation relating to the outbreak of Coronavirus (COVID-19), including the current guidance and restrictions on travel and public gatherings and social distancing. The priority of the Company's Board at this time is the health, safety and wellbeing of all Shareholders and Directors.

With effect from 20 June 2020, the States of Guernsey implemented Phase 5 of its transitional plan to ease the stay at home and travel restrictions originally introduced on 25 March 2020 in light of COVID-19. Whilst restrictions within Guernsey have been eased, permitting gatherings to take place within Guernsey, any persons arriving into Guernsey are presently required to self-isolate for a period of between 7 to 14 days upon arrival (subject to satisfaction of certain criteria).

In light of the restrictions in place from 20 June 2020, whilst Guernsey based Shareholders are permitted to attend the Extraordinary General Meeting in person, Shareholders from outside of Guernsey are strongly encouraged to appoint the Chairman of the meeting or the Company Secretary as their proxy and provide voting instructions in advance of the Extraordinary General Meeting, in accordance with the instructions explained in paragraph 4 of the Letter from the Chairman of the Company set out in Part I ("*Chairman's Letter*") and in the Notice of Extraordinary General Meeting set out at the end of this document.

A Form of Proxy will accompany this document for use by Ordinary Shareholders in connection with the Extraordinary General Meeting of the Company. To be valid, the Form of Proxy should be completed, signed and returned in accordance with the instructions printed thereon, so as to be received by Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom as soon as possible and in any event not later than 48 hours before the appointed time for the holding of the Extraordinary General Meeting (excluding any part of a day which is non-working). Completion and return of the Form of Proxy will not preclude Ordinary Shareholders from attending and voting in person at the Extraordinary General Meeting should they so wish and be so entitled to vote. Ordinary Shareholders are advised to review the instructions which are set out in the section entitled "*Proxy Form Accompanying this Document and Action to be Taken*" and paragraph 4 of the Letter from the Chairman of the Company set out in Part I ("*Chairman's Letter*") of this document regarding the proper completion and return of the Form of Proxy.

Shareholders are strongly encouraged to exercise their voting rights by completing and submitting a Form of Proxy. It is highly recommended that Shareholders submit their Form of Proxy as early as possible to ensure that their votes are counted at the Extraordinary General Meeting.

The Company will continue to closely monitor the situation in the lead up to the Extraordinary General Meeting and will make any further updates as required about the meeting on its website at [www.jzcp.com](http://www.jzcp.com).

Houlihan Lokey Capital, Inc. ("**Houlihan Lokey**") is acting solely for the Company and no one else in connection with the proposal concerning the Company's proposed disposal of its ownership interests in six of its US microcap portfolio companies which is a Related Party Transaction of the Company (insofar as the Listing Rules are applicable to the Company by virtue of its voluntary compliance with the same), being the Secondary Sale, and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Houlihan Lokey nor for providing advice in relation to the Secondary Sale or any other matter referred to in this document.

**Cautionary note regarding forward-looking statements**

This document contains a number of "forward-looking statements". Generally, the words "will", "may", "should", "continue", "believes", "expects", "intends", "anticipates", "forecast", "plan" and "project" or in each case, their negative, or similar expressions identify forward-looking statements. Such statements reflect the relevant company's current views with respect to future events and are subject to risks, assumptions and uncertainties that could cause the actual results to differ materially from those expressed or implied in the forward-looking statements. Many of these risks, assumptions and uncertainties relate to factors that are beyond the companies' abilities to control or estimate precisely, such as future market conditions, changes in general economic and business conditions, introduction of competing products and services, lack of acceptance of new products or services and the behaviour of other market participants. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Shareholders should not, therefore, place undue reliance on these forward-looking statements, which speak only as of the date of this document. Except as required by applicable law or regulation, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Unless otherwise defined herein, capitalised terms used in this document have the meanings given to them in the section entitled "Definitions" set out in Part IV ("*Definitions*") of this document.

29 October 2020

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### EXPECTED TIMETABLE

Publication and posting of this document and the accompanying Form of Proxy for the Extraordinary General Meeting	29 October 2020
Latest time and date for receipt of the Form of Proxy for the Extraordinary General Meeting	1.00 p.m. on 16 November 2020
Extraordinary General Meeting	1.00 p.m. on 18 November 2020
Announcement of the results of the Extraordinary General Meeting	18 November 2020

#### NOTES:

1. All references in this document are to London time unless otherwise stated.
2. The times and dates set out in the Expected Timetable above and mentioned throughout this document may be adjusted by the Company in its sole and absolute discretion in which event details of the new times and dates will be notified, where required, to the Guernsey Financial Services Commission, the London Stock Exchange and the Shareholders.
3. The Extraordinary General Meeting is to be held at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL, Channel Islands.

**PROXY FORM ACCOMPANYING THIS DOCUMENT AND ACTION TO BE TAKEN**

**IN THE CASE OF ORDINARY SHAREHOLDERS, A FORM OF PROXY WILL ACCOMPANY THIS DOCUMENT FOR USE BY ORDINARY SHAREHOLDERS IN CONNECTION WITH THE EXTRAORDINARY GENERAL MEETING OF THE COMPANY.**

**IF YOU CURRENTLY ONLY HOLD ZDP SHARES, YOU SHOULD DISREGARD THE FORM OF PROXY FOR USE IN CONNECTION WITH THE EXTRAORDINARY GENERAL MEETING.**

**SHAREHOLDERS SHOULD READ THE WHOLE OF THIS DOCUMENT, WHICH CONTAINS, AMONG OTHER THINGS, THE MATERIAL TERMS OF THE COMPANY'S PROPOSED DISPOSAL OF ITS OWNERSHIP INTERESTS IN SIX OF ITS US MICROCAP PORTFOLIO COMPANIES, BEING THE SECONDARY SALE, AND NOT JUST THIS SECTION OF THIS DOCUMENT ENTITLED "*PROXY FORM ACCOMPANYING THIS DOCUMENT AND ACTION TO BE TAKEN*", INCLUDING IN THE CASE OF ORDINARY SHAREHOLDERS BEFORE DECIDING WHAT ACTION TO TAKE.**

**ORDINARY SHAREHOLDERS ARE ALSO ADVISED TO REVIEW THE INSTRUCTIONS SET OUT IN PARAGRAPH 4 OF THE LETTER FROM THE CHAIRMAN OF THE COMPANY SET OUT IN PART I ("*CHAIRMAN'S LETTER*") OF THIS DOCUMENT REGARDING THE PROPER COMPLETION AND RETURN OF THE FORM OF PROXY. IN ADDITION, ORDINARY SHAREHOLDERS ARE ADVISED TO REVIEW THE INSTRUCTIONS ON THE FORM OF PROXY ITSELF REGARDING THE SAME.**

**For Ordinary Shareholders to complete and return the Form of Proxy for the purpose of the Extraordinary General Meeting:**

If you are an Ordinary Shareholder, whether or not you intend to be present at the Extraordinary General Meeting, you are asked to complete, sign and return the Form of Proxy in accordance with the instructions printed thereon, so as to be received by Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom as soon as possible and in any event not later than 48 hours before the appointed time for the holding of the Extraordinary General Meeting (excluding any part of a day which is non-working). The completion and return of the Form of Proxy will not preclude Ordinary Shareholders from attending and voting in person at the Extraordinary General Meeting if they so wish and are so entitled.

The Company has been closely monitoring the evolving situation relating to the outbreak of Coronavirus (COVID-19), including the current guidance and restrictions on travel and public gatherings and social distancing. With effect from 20 June 2020, the States of Guernsey implemented Phase 5 of its transitional plan to ease the stay at home and travel restrictions originally introduced on 25 March 2020 in light of COVID-19. Whilst restrictions within Guernsey have been eased, permitting gatherings to take place within Guernsey, any persons arriving into Guernsey are presently required to self-isolate for a period of between 7 to 14 days upon arrival (subject to satisfaction of certain criteria). In light of the restrictions in place from 20 June 2020, whilst Guernsey based Shareholders are permitted to attend the Extraordinary General Meeting in person, Shareholders from outside of Guernsey are strongly encouraged to appoint the Chairman of the meeting or the Company Secretary as their proxy and provide voting instructions in advance of the Extraordinary General Meeting.

The completion and return of the Form of Proxy will not preclude Ordinary Shareholders from attending and voting in person at the Extraordinary General Meeting if they so wish and are so entitled (and subject to the guidance provided above in relation to the impact of COVID-19).

**PART I – CHAIRMAN'S LETTER**

**JZ CAPITAL PARTNERS LIMITED**

*(Incorporated in Guernsey as a non-cellular company limited by shares under The Companies (Guernsey) Law 2008 (as amended) with registered no. 48761)*

**Non-Executive Directors**

David Macfarlane (Chairman)  
James Jordan  
Sharon Parr  
Ashley Paxton

**Registered Office**

JZ Capital Partners Limited  
PO Box 255  
Trafalgar Court  
Les Banques  
St Peter Port  
Guernsey  
GY1 3QL

29 October 2020

Dear Shareholder,

**Recommended proposal to approve  
The Company's proposed disposal of its ownership interests in  
certain US microcap portfolio companies**

**and**

**Notice of Extraordinary General Meeting**

**1. Introduction**

On 27 November 2019, the Company announced its interim results for the six month period ended 31 August 2019, in which it was explained that the Company expected to pay down a significant amount of debt in the near term upon completion of a secondary sale of a portfolio of certain of its US microcap assets. The Company provided an update regarding the status of the secondary sale on 16 March 2020, noting that in light of the COVID-19 outbreak, there would be a delay in completing the transaction. The Company then announced on 17 September 2020 that positive progress had been made in relation to the transaction and that it was anticipated that the Company would reach agreement on the terms of a sale in the near term.

Further to these developments, the Company was pleased to announce on 19 October 2020 that it has agreed to sell and contribute its interests in six of its US microcap portfolio companies (the "**Secondary Sale**") to a secondary fund held primarily by certain funds and accounts managed by Hamilton Lane Advisors, L.L.C. ("**Hamilton Lane**"), one of the world's largest allocators and managers of private markets capital. Accordingly and as mentioned in that announcement, the Board is now requesting approval from Shareholders for the Secondary Sale, which would be considered a Class 1 Transaction and a Related Party Transaction of the Company, thereby requiring such Shareholder approval to be sought and obtained.

As Shareholder approval is required for the Secondary Sale, an Extraordinary General Meeting of the Company is being convened to be held at 1.00 p.m. on 18 November 2020. The Extraordinary General Meeting will be held at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL, Channel Islands. The Notice convening the Extraordinary General Meeting, which contains the Resolution to be proposed at that meeting concerning the Secondary Sale, is set out at the end of this document.

The principal purpose of this document is therefore to set out and explain the proposal to approve the Secondary Sale.

In addition to the principal purpose of this document, the purpose of this document is also to:

- provide Ordinary Shareholders with notice of the Extraordinary General Meeting at which the Resolution to be proposed at that meeting concerning the Secondary Sale will be put forward to, and voted on by, the Ordinary Shareholders in respect of which they are entitled to vote;
- provide ZDP Shareholders with details of the Secondary Sale by providing notice of the Extraordinary General Meeting, although ZDP Shareholders do not have the right to attend or vote at the Extraordinary General Meeting; and
- explain why the Board:
  - considers the Secondary Sale and the Resolution to be proposed at the Extraordinary General Meeting to be in the best interests of the Company and its Shareholders;
  - unanimously recommends that Ordinary Shareholders vote in favour of the Resolution to be proposed at the Extraordinary General Meeting in respect of which they are entitled to vote, as the Directors intend to do in respect of their own beneficial holdings; and
  - considers the terms of the Secondary Sale, which concerns a Related Party Transaction of the Company (insofar as the Listing Rules are applicable to the Company by virtue of its voluntary compliance with the same), to be fair and reasonable as far as the Shareholders are concerned.

Shareholders should read the whole of this document and not just rely on the summarised information set out in this letter. Further details of the Secondary Sale are set out below.

## 2. Secondary Sale

The Board is seeking Shareholder approval for the Company's proposed disposal of 100 per cent. of its ownership interests in each of ACW Flex Pack, LLC ("**Flex Pack**"), Flow Controls Holding, LLC ("**Flow Controls**"), Testing Services Holdings, LLC ("**Testing Services**"), Felix Storch Holdings, LLC ("**Felix Storch**"), Peaceable Street Capital, LLC ("**Peaceable**") and TierPoint LLC ("**TierPoint**") (together, the "**US Microcap Portfolio Companies**").

The disposals of the Company's ownership interests in the US Microcap Portfolio Companies form part of the same transaction and accordingly the aggregate consideration for the Secondary Sale is comprised of (a) US\$90 million in cash (less any fees and expenses) (the "**Cash Consideration**"), subject to adjustments as set forth in the Sale Agreement, and (b) a special limited partner interest in the Secondary Fund (the "**Special LP Interest**", and together with the Cash Consideration, the "**Aggregate Consideration**").

The Company's proposed disposal of its ownership interests will be structured as a sale and contribution to a newly formed fund, JZHL Secondary Fund LP (the "**Secondary Fund**"), managed by an affiliate of the Company's investment manager, Jordan/Zalaznick Advisers, Inc. (the "**Investment Adviser**" or "**JZAI**"). An affiliate of JZAI will also serve as the general partner of the Secondary Fund. Certain funds and accounts managed by Hamilton Lane (the "**HL Investors**") and other secondary investors, being, as required by Hamilton Lane, David W. Zalaznick and John (Jay) Jordan II (together, being the "**JZAI Founders**", who are the founders and principals of JZAI) (or their respective affiliates) and various members of the JZAI US microcap investment team (the "**JZAI Investors**" and, together with the HL Investors, the "**Secondary Investors**"), will be investing in the Secondary Fund, which will acquire the Company's ownership interests in the US Microcap Portfolio Companies. In addition to their interests indirectly through the Secondary Fund, affiliates of JZAI will retain their existing interests in two of the US Microcap Portfolio Companies, namely Peaceable and TierPoint.

JZAI is the Company's investment adviser pursuant to the Investment Advisory Agreement and, under the Listing Rules, would therefore be considered a Related Party of the Company. In addition, the JZAI Founders (or their respective affiliates) and various members of the JZAI US microcap investment team are also each considered to be a Related Party of the Company. The JZAI Founders are the founders and principals of the Company's Investment Adviser, JZAI, and are also substantial Shareholders of the Company as they are entitled to exercise, or to control the exercise of, 10 per cent. or more of the votes able to be cast at a general meeting of the Company. Therefore, the proposed disposal by the Company of the US Microcap Portfolio Companies to the Secondary Fund (which involves, as described above,

the JZAI Founders (or their respective affiliates) and various members of the JZAI US microcap investment team) would be considered a Related Party Transaction under Chapter 11 of the Listing Rules. Because of its size, the Secondary Sale also constitutes a Class 1 Transaction for the purposes of Chapter 10 of the Listing Rules, insofar as the Listing Rules are applicable to the Company by virtue of its voluntary compliance with the same.

The Secondary Sale marks a significant milestone towards the delivery of the Company's previously announced strategy of realising value from its investment portfolio and paying down debt. Upon completion, the Secondary Sale will provide the Company with the needed liquidity to repay a substantial portion of its senior debt. The Board also considers that the proposed disposal by the Company of its ownership interests in the US Microcap Portfolio Companies currently provides the best opportunity to realise an attractive value for its ownership interests.

#### ***Details and principal terms of the Secondary Sale***

On 16 October 2020, the Company entered into an agreement of purchase, sale and contribution (the "**Sale Agreement**") with, among others, the Secondary Fund and Hamilton Lane in relation to the proposed disposal of 100 per cent. of its ownership interests in the US Microcap Portfolio Companies. The Sale Agreement is governed by the laws of the state of Delaware.

The HL Investors and the JZAI Investors will, as further described below, be investing in the Secondary Fund, which will acquire the Company's interests in the US Microcap Portfolio Companies. The Secondary Fund is a Delaware limited partnership formed on behalf of the Secondary Investors and managed by an affiliate of JZAI. An affiliate of JZAI will also serve as the general partner of the Secondary Fund.

The Secondary Investors, the general partner of the Secondary Fund (being an affiliate of JZAI) and JZCP Special LP Ltd, a wholly owned subsidiary of the Company (in its capacity as the special limited partner of the Secondary Fund), will enter into an amendment and restatement agreement of limited partnership (the "**LPA**") which amends and restates the agreement of limited partnership originally entered into on 11 September 2020. The LPA sets out the basis on which the Secondary Fund is to be organised and outlines the respective rights and obligations of each of the partners. The LPA is governed by the laws of the state of Delaware.

Pursuant to the LPA, the full potential commitment by the Secondary Investors to the Secondary Fund is up to US\$110 million in aggregate, with the HL Investor's full potential commitment being up to approximately US\$100 million and, as required by Hamilton Lane, the JZAI Investors' full potential commitment being up to approximately US\$10 million. A total initial investment of US\$90 million will be funded severally and not jointly by the HL Investors at the time of closing of the Secondary Sale to facilitate its acquisition of the US Microcap Portfolio Companies (the "**Initial Investment Amount**"). In addition to the Initial Investment Amount, up to US\$20 million of unfunded capital commitments is expected to be contributed to the Secondary Fund severally (and not jointly) by the Secondary Investors and the JZAI Investors at the same time and to be funded as required (the "**Unfunded Amount**"). The resulting ownership interests in the Secondary Fund will be 90.9 per cent. owned by the HL Investors and 9.1 per cent. by the JZAI Investors. In addition, the Company will receive a Special LP Interest in the Secondary Fund as part of the Aggregate Consideration as further explained below.

Pursuant to the Sale Agreement, the Aggregate Consideration to be received by the Company for the Secondary Sale is comprised of (a) the Cash Consideration, amounting to US\$90 million in cash (less any fees and expenses), and (b) the Special LP Interest in the Secondary Fund.

The Cash Consideration is subject to certain adjustments specified in the Sale Agreement and as such will be: (i) increased by the amount of any investments made by the Company to the US Microcap Portfolio Companies, and (ii) decreased by the amount of any proceeds received by the Company from the US Microcap Portfolio Companies, in each case between the date of execution of the Sale Agreement and the time of closing of the Secondary Sale.

The Special LP Interest will entitle the Company to certain distributions from, and certain other rights and obligations in respect of, the Secondary Fund. It is proposed that the Special LP Interest would be held by a wholly owned subsidiary of the Company, a Cayman Islands company named JZCP Special LP Ltd in its capacity as the special limited partner of the Secondary Fund.

The equity interests of the Secondary Fund are subject to the following distribution waterfall as set out in the LPA:

- First, 100 per cent. will be distributed to the Secondary Investors pro rata in accordance with their respective contributions until each Secondary Investor has received distributions equal to its total aggregate contributions to the Secondary Fund (amounting in total to US\$90 million plus any further contributions made thereafter, expected to be in the aggregate of up to an additional US\$20 million);
- Second, 100 per cent. to the Secondary Investors pro rata in accordance with their respective contributions until each Secondary Investor has realised the greater of a 15 per cent. net internal rate of return on its total aggregate contributions or an amount equal to 140 per cent. of its total aggregate contributions (in each case, taking into account all prior and current distributions);
- Third, 95 per cent. to the Company (in its capacity as the special limited partner of the Secondary Fund) and 5 per cent. to the Secondary Investors (in the case of the Secondary Investors, pro rata in accordance with their respective contributions) until the Company has received distributions equal to US\$67.6 million; and
- Fourth, 62.5 per cent. to the Secondary Investors (pro rata in accordance with their respective contributions) and 37.5 per cent. to the Company.

Due to the Secondary Investors being entitled to a minimum return equal to 140 per cent. of their total aggregate contributions, the value of the Special LP Interest to the Company, following the execution of the Sale Agreement, should be approximately US\$40.0 million. Adding this figure to the Cash Consideration of US\$90 million (less any fees and expenses) would indicate a temporary write down to the Company's net asset value of approximately US\$28.7 million, when compared against the aggregate net asset value of the US Microcap Portfolio Companies at 29 February 2020 of US\$158.7 million. That being the case, the Company does however expect that the value of the Company's Special LP Interest should increase in the near to medium term as the Secondary Investors fund the additional new capital required to grow the US Microcap Portfolio Companies and complete their respective acquisition strategies.

The Company intends to use up to US\$70 million of the Cash Consideration received in connection with the Secondary Sale and other recent sales to repay a substantial portion of its senior debt. Any surplus of the Cash Consideration will be used otherwise towards the implementation of the aims of the Company's recently amended and restated investment policy and for the Company's general corporate purposes. As mentioned above, the Secondary Sale, assuming it is completed, will mark a significant milestone towards the delivery of the Company's strategy of realising value from its investment portfolio and paying down debt.

Completion of the Secondary Sale is subject to a number of conditions, as well as the approval of the Company's Ordinary Shareholders of the Resolution to be proposed at the Extraordinary General Meeting of the Company given that the Secondary Sale is both a Class 1 Transaction and a Related Party Transaction. Such conditions include, but are not limited to, entry into certain ancillary documentation by third-party investors in the US Microcap Portfolio Companies and the release by the Company's senior lenders of security held by them over the US Microcap Portfolio Companies. As recently announced by the Company on 23 October 2020, the Company has entered into the Guggenheim Amendment Agreement with its senior lenders to amend the terms of its existing senior facility agreement and therefore the particular condition relating to the Company's lending arrangements has now been satisfied. Concurrently with the closing of the Guggenheim Amendment Agreement, Guggenheim assigned US\$40 million of its loans to the Cohanzick Group.

If the above conditions, including approval of the Company's Ordinary Shareholders, have not been satisfied or waived by the date which falls 30 business days from the date of this document plus the number of business days (not to exceed 10) as necessary for notice of closing by the Company (subject to extension in certain limited circumstances), either party may terminate the Sale Agreement. Completion of the Secondary Sale is expected to occur in early December assuming the Resolution is passed by the Ordinary Shareholders at the Extraordinary General Meeting and the other conditions to the Secondary Sale are satisfied or waived.

The Secondary Sale, if effected, will have the effect of the Company realising its investments in the US Microcap Portfolio Companies by disposing of its entire ownership interests therein.

Further information relating to the Secondary Sale is set out below. A summary of the risks relating to the Secondary Sale is set out in Part II ("*Risk Factors*") of this document.

### ***Information relating to the US Microcap Portfolio Companies***

#### *Flex Pack*

Flex Pack is incorporated in Delaware and is a provider of a variety of custom flexible packaging solutions to converters and end-users.

The Company's ownership interest in Flex Pack consists of 42,500 common units and a 50.0 per cent. interest in 8 per cent. preferred equity. The NAV of the Company's ownership interest in Flex Pack was US\$11.5 million as at 29 February 2020, as set out in the Company's annual report for the year ended 29 February 2020 (the "**2020 Annual Report**").

Flex Pack has gross profits of approximately US\$15.2 million and total gross assets of approximately US\$58.1 million for the 12 months ending 31 December 2019. These figures are attributable to the whole of the Flex Pack business and not the ownership interest held and proposed to be disposed of by the Company pursuant to the Secondary Sale.

Existing members of the management team of Flex Pack run the Flex Pack business and the key individuals important to the business are Chris Wrobel who is the Chairman of the Board and Chief Executive Officer of Flex Pack and Glen Jensen who is the Chief Financial Officer of Flex Pack.

#### *Flow Controls*

Flow Controls is incorporated in Delaware and is a manufacturer and distributor of high-performance, mission-critical flow handling products and components utilised to connect processing line equipment.

The Company's ownership interest in Flow Controls consists of 44,561.77 common units and a 49.6 per cent. interest in 8 per cent. preferred equity. The NAV of the Company's ownership interest in Flow Controls was US\$15.5 million as at 29 February 2020, as set out in the 2020 Annual Report.

Flow Controls has gross profits of approximately US\$10.4 million and total gross assets of approximately US\$54.8 million for the 12 months ending 31 December 2019. These figures are attributable to the whole of the Flow Controls business and not the ownership interest held and proposed to be disposed of by the Company pursuant to the Secondary Sale.

Existing members of the management team of Flow Controls run the Flow Controls business and the key individuals important to the business are Phil Pejovich who is the Chairman of the Board and Chief Executive Officer of Flow Controls, Keith Whisenand who is the Chief Financial Officer of Flow Controls and Todd Lancioni who is a Senior Vice President of Flow Controls.

#### *Testing Services*

Testing Services is incorporated in Delaware and is a provider of safety focused solutions for the industrial, environmental and life science related markets, and testing, certification and validation services for cleanroom, critical environments and containment systems.

The Company's ownership interest in Testing Services consists of 421.5469 common units and a 48.1 per cent. interest in 8 per cent. preferred equity. The NAV of the Company's ownership interest in Testing Services was US\$23.9 million as at 29 February 2020, as set out in the 2020 Annual Report.

Testing Services has gross profits of approximately US\$40.2 million and total gross assets of approximately US\$103.7 million for the 12 months ending 31 December 2019. These figures are attributable to the whole of the Testing Services business and not the proportionate ownership interest held and proposed to be disposed of by the Company pursuant to the Secondary Sale.

Existing members of the management team of Testing Services run the Testing Services business and the key individuals important to the business are Christopher K. Kuhl who is the Chief Financial Officer of Testing Services and Todd Lancioni who is a Senior Vice President of Testing Services.

#### *Felix Storch*

Felix Storch is incorporated in Delaware and is a leading provider of specialty refrigeration and custom appliances to residential small kitchen, professional, life sciences, food service and hospitality markets. Felix Storch is a second generation family business, founded in 1969 and based in The Bronx, NY. Felix Storch's products now include a wide range of major appliances sold both nationally and internationally.

The Company holds an approximate 45.0 per cent. ownership interest in Felix Storch. The NAV of the Company's ownership interest in Felix Storch was US\$24.5 million as at 29 February 2020, as set out in the 2020 Annual Report.

Felix Storch has gross profits of approximately US\$31.7 million and total gross assets of approximately US\$52.9 million for the 12 months ending 31 December 2019. These figures are attributable to the whole of the Felix Storch business and not the proportionate 45.0 per cent. ownership interest held and proposed to be disposed of by the Company pursuant to the Secondary Sale.

Existing members of the management team of Felix Storch run the Felix Storch business and the key individuals important to the business are Paul Storch who is the President of Felix Storch and Marty O'Gorman who is the Chief Operating Officer of Felix Storch.

#### *Peaceable*

Peaceable is incorporated in Delaware and is a specialty finance platform focused on making structured investments in small and mid-sized income producing commercial real estate. The company is built on a foundation of know-how, creatively structuring preferred equity to provide senior equity in complex situations. With extensive investment experience throughout the United States and Canada, Peaceable's underwriting and decision making process is designed to deliver creative, flexible and dependable solutions quickly. Peaceable focuses on a diverse portfolio of property types including multi-family, office, self-storage, industrial, retail, RV parks, mobile home parks, parking health care and hotels.

The Company holds an approximate 29.4 per cent. indirect ownership interest in Peaceable. The NAV of the Company's ownership interest in Peaceable was US\$36.5 million as at 29 February 2020, as set out in the 2020 Annual Report.

Existing members of the management team of Peaceable run the Peaceable business and the key individuals important to the business are Dave Henry who is the Co-Founder of Peaceable, Fred Kurz who is the Chief Executive Officer of Peaceable and Jim Bruin who is the President of Peaceable.

#### *TierPoint*

TierPoint is incorporated in Delaware and is a leading provider of information technology and data centre services, including colocation, cloud computing, disaster recovery and managed IT services. TierPoint's hybrid IT solutions help clients increase business agility, drive performance and manage risk. TierPoint operates via a network of 43 data centres in 20 markets across the United States.

The Company holds an approximate 4.6 per cent. indirect ownership interest in TierPoint. The NAV of the Company's ownership interest in TierPoint was US\$46.8 million as at 29 February 2020, as set out in the 2020 Annual Report.

TierPoint has gross profits of approximately US\$194.7 million and total gross assets of approximately US\$1,627.2 million for the 12 months ending 31 December 2019. These figures are attributable to the whole of the TierPoint business and not the proportionate 4.6 per cent. ownership interest held and proposed to be disposed of by the Company pursuant to the Secondary Sale.

Existing members of the management team of TierPoint run the TierPoint business and the key individuals important to the business are Jerry Kent who is the Chairman and CEO of TierPoint, Mary Meduski who is the President and CFO of TierPoint, Wendy Knudsen who is the Executive Vice President, Chief Legal Officer and Secretary of TierPoint, Gus Haug who is the Executive Vice President

(Corporate Development) of TierPoint, Pete Abel who is the Senior Vice President (Marketing and Communications) of TierPoint and Matthew Kent, Mike Pizzella and Frederick Ricker who are each Vice Presidents of TierPoint.

### ***Information relating to Hamilton Lane***

Hamilton Lane Advisors, L.L.C. is a leading alternative investment management firm providing innovative private markets solutions to sophisticated investors around the world. Dedicated to private markets investing for 29 years, the firm currently employs over 400 professionals operating in offices throughout North America, Europe, Asia Pacific and the Middle East. Hamilton Lane has approximately US\$516 billion in assets under management and supervision, composed of approximately US\$68 billion in discretionary assets and over US\$447 billion in advisory assets, as of 30 June 2020. Hamilton Lane offers a full range of investment products and services that enable clients to participate in the private markets asset class on a global and customized basis. More information regarding Hamilton Lane can be found on its website [www.hamiltonlane.com](http://www.hamiltonlane.com).

### ***Related Party Transaction***

The Secondary Sale would be considered a Related Party Transaction under Chapter 11 of the Listing Rules (with which the Company voluntarily complies and insofar as the Listing Rules are applicable to the Company by virtue of its voluntary compliance).

As mentioned above, JZAI is the Company's investment adviser pursuant to the Investment Advisory Agreement and, under the Listing Rules, would therefore be considered a Related Party of the Company. In addition, the JZAI Founders (or their respective affiliates) and various members of the JZAI US microcap investment team are each considered to be a Related Party of the Company. The JZAI Founders are the founders and principals of the Company's Investment Adviser, JZAI, and are also substantial Shareholders of the Company as they are entitled to exercise, or to control the exercise of, 10 per cent. or more of the votes able to be cast at a general meeting of the Company. The Secondary Fund is being managed by an affiliate of JZAI, an affiliate of JZAI will also serve as the general partner of the Secondary Fund, and the JZAI Founders (or their respective affiliates) and various members of the JZAI US microcap investment team will, as required by Hamilton Lane, be investing in the Secondary Fund.

Therefore, the proposed disposal by the Company of its ownership interests in the US Microcap Portfolio Companies to the Secondary Fund (which involves, as described above, the JZAI Founders (or their respective affiliates) and various members of the JZAI US microcap investment team) would be considered a Related Party Transaction under Chapter 11 of the Listing Rules.

As such, the Secondary Sale would be considered a Related Party Transaction under Chapter 11 of the Listing Rules (with which the Company voluntarily complies and insofar as the Listing Rules are applicable to the Company by virtue of its voluntary compliance) and Shareholder approval is accordingly being sought.

In relation to the Secondary Sale as a Related Party Transaction of the Company, the Board, which has received advice from Houlihan Lokey as to the fairness, from a financial point of view, of the consideration to be paid to the Company in connection with the Secondary Sale, considers the Secondary Sale to be fair and reasonable as far as the Shareholders as a whole are concerned. It is noted that for these purposes, among other things, the advice of Houlihan Lokey to the Board was based on certain assumptions and estimates provided to Houlihan Lokey concerning the anticipated timing and amount of future distributions of the Secondary Fund to be received by the Company, for which assumptions and estimates Houlihan Lokey is not responsible.

The relevant Resolution is to be proposed at the Extraordinary General Meeting in relation to the Secondary Sale as a Related Party Transaction of the Company and is being proposed to seek Shareholder approval for the Company's proposed disposal of its ownership interests in the US Microcap Portfolio Companies.

The JZAI Founders (or their respective affiliates) and various members of the JZAI US microcap investment team are considered to be Related Parties of the Company and, as such, have undertaken not to vote, and have taken all reasonable steps to ensure that their respective associates will not vote, on the relevant Resolution.

### ***Class 1 Transaction***

Because of its size, the Secondary Sale will also constitute a Class 1 Transaction for the purposes of the Listing Rules. Therefore, the approval of Shareholders is also required pursuant to Chapter 10 of the Listing Rules (with which the Company voluntarily complies and insofar as the Listing Rules are applicable to the Company by virtue of its voluntary compliance).

#### **3. Extraordinary General Meeting**

The Secondary Sale is subject to the approval of Shareholders which will be sought at the Extraordinary General Meeting of the Company.

The Extraordinary General Meeting will be held at 1.00 p.m. on 18 November 2020 at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL, Channel Islands for the purpose of considering and, if thought fit, passing the Resolution to be proposed at that meeting concerning the Secondary Sale.

A Notice of Extraordinary General Meeting is set out at the end of this document. The Resolution to be proposed at the Extraordinary General Meeting is contained in the Notice.

The Resolution is intended to be proposed as an Ordinary Resolution.

Ordinary Shareholders only will have the right to attend and vote on the Resolution to be proposed at the Extraordinary General Meeting in respect of which they are entitled to vote. As mentioned above, as the Resolution involves a Related Party Transaction of the Company, the JZAI Founders (or their respective affiliates) and various members of the JZAI US microcap investment team, each as a Related Party in respect of the Company for the purposes of the Resolution, have undertaken not to vote, and have taken all reasonable steps to ensure that their associates will not vote, on the Resolution.

For the avoidance of doubt, ZDP Shareholders will not have the right to attend or vote at the Extraordinary General Meeting.

#### **4. Action to be taken**

A Form of Proxy will accompany this document for use by Ordinary Shareholders in connection with the Extraordinary General Meeting of the Company. If you currently only hold ZDP Shares, you should disregard the Form of Proxy.

If you are an Ordinary Shareholder, whether or not you intend to be present at the Extraordinary General Meeting, you are asked to complete, sign and return the Form of Proxy in accordance with the instructions printed thereon, so as to be received by Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom as soon as possible and in any event not later than 48 hours before the appointed time for the holding of the Extraordinary General Meeting (excluding any part of a day which is non-working).

The completion and return of the Form of Proxy will not preclude Ordinary Shareholders from attending and voting in person at the Extraordinary General Meeting if they so wish and are so entitled (and subject to the guidance provided below in relation to the impact of COVID-19).

The Company has been closely monitoring the evolving situation relating to the outbreak of COVID-19, including the current guidance and restrictions on travel and public gatherings and social distancing. The priority of the Company's Board at this time is the health, safety and wellbeing of all Shareholders and Directors.

With effect from 20 June 2020, the States of Guernsey implemented Phase 5 of its transitional plan to ease the stay at home and travel restrictions originally introduced on 25 March 2020 in light of COVID-19. Whilst restrictions within Guernsey have been eased, permitting gatherings to take place within Guernsey, any persons arriving into Guernsey are presently required to self-isolate for a period of between 7 to 14 days upon arrival (subject to satisfaction of certain criteria).

In light of the restrictions in place from 20 June 2020, whilst Guernsey based Shareholders are permitted to attend the Extraordinary General Meeting in person, Shareholders from outside of Guernsey are

strongly encouraged to appoint the Chairman of the meeting or the Company Secretary as their proxy and provide voting instructions in advance of the Extraordinary General Meeting, in accordance with the instructions explained in this paragraph and in the Notice of Extraordinary General Meeting set out at the end of this document.

Shareholders are strongly encouraged to exercise their voting rights by completing and submitting a Form of Proxy. It is highly recommended that Shareholders submit their Form of Proxy as early as possible to ensure that their votes are counted at the Extraordinary General Meeting.

The Company will continue to closely monitor the situation in the lead up to the Extraordinary General Meeting and will make any further updates as required about the meeting on its website at [www.jzcp.com](http://www.jzcp.com).

Ordinary Shareholders are also advised to review the instructions on the Form of Proxy itself regarding the proper completion and return of the Form of Proxy. Shareholders should also refer to the section entitled "*Proxy Form Accompanying this Document and Action to be Taken*" of this of document.

#### **5. Recommendation**

As noted above, in relation to the Secondary Sale as a Related Party Transaction of the Company, the Board, which has received advice from Houlihan Lokey (subject to the matters noted above) as to the fairness, from a financial point of view, of the consideration to be paid to the Company in connection with the Secondary Sale, considers the Secondary Sale to be fair and reasonable as far as the Shareholders as a whole are concerned.

In addition, the Board considers the Secondary Sale and the Resolution to be proposed at the Extraordinary General Meeting to be in the best interests of the Company and its Shareholders.

Accordingly, the Board unanimously recommends that Ordinary Shareholders vote in favour of the Resolution to be proposed at the Extraordinary General Meeting in respect of which they are entitled to vote, as the Directors intend to do in respect of their own beneficial holdings, representing 0.14 per cent. of the voting rights of the Ordinary Shares.

Yours faithfully,

**David Macfarlane**  
Chairman

## **PART II – RISK FACTORS**

*The risks set out below are the risks which are considered to be material but are not the only risks relating to the Company or its disposal of its ownership interests in the US Microcap Portfolio Companies. There may be additional risks that the Company does not currently consider to be material or of which the Company is not aware. If any of these additional risks or the risks below were to materialise, the Company's business, financial condition, results or future operations could be materially or adversely affected. In such circumstances, the price of the Shares could decline and investors could lose all or part of their investment.*

### **1. Risks relating to the Secondary Sale**

#### **1.1 Completion of the Secondary Sale is subject to conditions and may not complete**

Completion of the sale is subject to the approval of the Company's Ordinary Shareholders of the Resolution relating to the Secondary Sale that is to be proposed at the Extraordinary General Meeting. The Secondary Sale is also subject to a number of other conditions, including entry into certain ancillary documentation by third-party investors in the US Microcap Portfolio Companies, and the release by the Company's senior lenders of security held by them over the US Microcap Portfolio Companies. There can be no assurance that the approval of the Company's Ordinary Shareholders of the Resolution will be obtained, that any of the other conditions to which the Secondary Sale is subject will be satisfied or waived and, accordingly, that completion of the Secondary Sale will take place.

If the Secondary Sale does not complete for any reason, there can be no assurance that the Company will be able to dispose of its ownership interests in the US Microcap Portfolio Companies at a later date or on terms that are equal to or more favourable than those provided by the terms of the Secondary Sale. Conversely if the Secondary Sale does complete, as the Company will in that case dispose of 100 per cent. of its ownership interests in the US Microcap Portfolio Companies, it will (subject to retaining its Special LP Interest) also be relieved of its existing and any future investment in the US Microcap Portfolio Companies. As a consequence, Shareholders should therefore be aware that, in those circumstances, the Company will not receive a return on its investment (other than potentially through its Special LP Interest), including any possible upside on the same as a result of the subsequent success, positive performance, growth or otherwise of the investment.

#### **1.2 There is no guarantee the Company will receive distributions by virtue of the Special LP Interest**

With respect to the Company's Special LP Interest, the risks to the Company include that, the state of the global economy, as well as normal market fluctuations, may negatively impact the business, financial condition and results of operation of the Secondary Fund and the underlying US Microcap Portfolio Companies. The strategy and/or financial performance of the Secondary Fund and the US Microcap Portfolio Companies may also be unable or fail to generate the expected, or even any, distributions payable to the Company by virtue of the Special LP Interest.

In addition, the value of the Special LP Interest to the Company is subject to change and may increase or decrease over time and the Company's assumptions and estimates concerning the anticipated timing and amount of future distributions of the Secondary Fund to be received by the Company, may not ultimately prove to be correct.

Furthermore, the Company believes that the success of the Secondary Fund and the US Microcap Portfolio Companies will depend to a significant extent upon the skills and expertise of the existing members of the management team of each of the US Microcap Portfolio Companies that run the businesses and in particular the key individuals important to the business, who are identified above. There can be no guarantee that such members of the management team and/or key individuals will remain with the US Microcap Portfolio Companies or that the businesses of the US Microcap Portfolio Companies will be able to attract and retain suitable staff. The departure of such persons and/or an inability to attract and retain suitable staff may have an adverse impact on the performance of the Secondary Fund and the US Microcap Portfolio Companies.

Furthermore, the Company will not control the Secondary Fund or the US Microcap Portfolio Companies which may therefore make decisions with which it does not agree, including decisions that may decrease the returns to the Company by virtue of the Special LP Interest.

## PART III – ADDITIONAL INFORMATION

### 1. Responsibility

The Company and the Directors of the Company, whose names appear on page 7 of this document and in paragraph 2.5 below, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

### 2. Company information

2.1 The Company was incorporated with limited liability in Guernsey on 14 April 2008 in anticipation of a scheme of reconstruction whereby the assets and liabilities of JZ Equity Partners Plc were transferred in their entirety to the Company on 1 July 2008. The Company was incorporated with the name JZ Capital Partners Limited under The Companies (Guernsey) Laws 1994 to 1996 with registered number 48761 and is an authorised closed-ended investment scheme pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) and the Authorised Closed-Ended Investment Schemes Rules 2008 issued by the Guernsey Financial Services Commission. The Company is domiciled in Guernsey and now operates under The Companies (Guernsey) Law 2008 (as amended) and ordinances and regulations made thereunder. The Company is listed on the specialist fund segment of the Main Market of the London Stock Exchange.

2.2 The Company has been incorporated with an indefinite life. However, the rights attaching to the ZDP Shares provide that the ZDP Shares are to be redeemed by the Company on 1 October 2022. In addition, the rights attaching to the CULS (the Company's convertible unsecured subordinated loan stock) provide that the CULS are to be redeemed by the Company on the maturity date of the CULS, being 30 July 2021 (unless previously redeemed, purchased or converted and, in each case, cancelled).

2.3 The Company has its registered office and principal place of business at PO Box 255, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3QL. The Company's telephone number at its registered office is +44 (0) 1481 745001.

2.4 The Company's legal entity identifier is 549300TZCK08Q16HHU44.

2.5 The names of the Directors of the Company, all of whom are non-executive directors, are:

David Macfarlane (Chairman)  
James Jordan  
Sharon Parr  
Ashley Paxton

2.6 None of the Directors are entitled to any benefits upon termination of their employment pursuant to the terms of their appointment letters.

### 3. Trend information

#### 3.1 COVID-19

The COVID-19 outbreak continues to have a negative impact on certain of the Company's portfolio companies, although the exact nature, extent and duration of that impact is not yet known and cannot be accurately assessed with certainty.

As such, the Company together with JZAI are continuing to monitor closely the developments of COVID-19 and its impact on the performance of its portfolio companies. The Company will provide further updates once there is greater certainty around the potential impact of COVID-19, and will make further announcements as and when required.

### 3.2 *Real estate valuations*

As announced by the Company on 17 September 2020, the Company received appraisals for its real estate portfolio assets as at 31 August 2020, which indicated materially lower valuations. The Company currently believes, as announced on 8 October 2020, that the mark down to its net asset value resulting from such net write downs to its real estate investments will be approximately US\$110 million.

## 4. **Major Shareholders**

As at 28 October 2020 (being the Latest Practicable Date), so far as the Company is aware, the following persons set out in the table below (other than the Directors) had notified the Company in accordance with the Disclosure and Transparency Rules that they held, directly or indirectly, five per cent. or more of the voting rights attributable to the issued Ordinary Share capital of the Company. The number and percentage of Ordinary Shares relate to the number informed by Shareholders on the relevant notification rather than the current share register. The number and percentage of Ordinary Shares set out below for each Shareholder will therefore not take account of any Ordinary Shares bought or sold by them or the effect of any share buy backs undertaken by the Company on their shareholdings, in each case, not so notified as required by, or in accordance with, the Disclosure and Transparency Rules.

<b>Shareholder</b>	<b>As at 28 October 2020</b>	
	<b>No. of Ordinary Shares</b>	<b>% of Issued Ordinary Share Capital</b>
Edgewater Growth Capital Partners	18,335,944	23.7%
David W. Zalaznick and affiliates	10,550,294	13.6%
John (Jay) W. Jordan II and affiliates	10,550,294	13.6%
Leucadia Financial Corporation	8,021,552	10.4%
Abrams Capital Management	7,744,366	10.0%
Arnhold LLC	4,573,007	5.9%
Finepoint Capital	4,413,067	5.7%

## 5. **Director shareholdings**

As at 28 October 2020 (being the Latest Practicable Date), the interests (all of which are beneficial) of the Directors, of their respective immediate families and (so far as is known or could with reasonable diligence be ascertained by the relevant Director) of any person connected with a Director in the share capital of the Company are as follows:

<b>Shareholder</b>	<b>As at 28 October 2020</b>	
	<b>No. of Ordinary Shares</b>	<b>% of Issued Ordinary Share Capital</b>
David Macfarlane	71,550	0.09
James Jordan	39,124	0.05
Sharon Parr	0	0
Ashley Paxton	0	0

## 6. **Legal proceedings**

### 6.1 *Company*

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had during the 12 months preceding the date of this document, a significant effect on the Company's financial position or profitability.

### 6.2 *US Microcap Portfolio Companies*

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had during the 12 months preceding the date of this document, a significant effect on the financial position or profitability of the US Microcap Portfolio Companies, excluding Peaceable and

TierPoint which are co-investments with non-JZAI sponsors. As to Peaceable and TierPoint, the Company has no reason to believe there are any such proceedings.

## 7. **Significant changes**

### 7.1 *Company*

There has been no significant change in the financial position of the Company since 29 February 2020 (being the date to which the last audited annual accounts of the Company were published), save for (i) the delay of the Company's proposed US secondary sale and the impact of COVID-19 on the Company as detailed in the Company's announcements on 16 March 2020 and 2 April 2020 respectively, (ii) the announcement of the proposed change to the Company's investment policy made on 22 April 2020, (iii) the Company's suspension of its monthly NAV announcements as detailed in the Company's announcement on 18 June 2020, (iv) the announcement of the Company's proposed reduction of its commitments to Spruceview Capital Partners, LLC and proposed change to its investment policy made on 15 July 2020, (v) the announcement of materially lower valuations in respect of the Company's real estate portfolio made on 17 September 2020, (vi) the announcement of the Company's proposed reduction of its commitments to Orangewood Partners II-A, L.P. made on 17 September 2020, (vii) the Company's receipt of consent from Guggenheim Partners to make the interest payment which was due on 30 September 2020 to the holders of its CULS as detailed in the Company's announcement on 25 September 2020, (viii) updates in relation to the Company's valuations in respect of its real estate portfolio and the continuing negotiations regarding the amendment of its senior facility with Guggenheim Partners, and (ix) the announcement by the Company on 23 October 2020 that it has reached agreement with its senior lenders to amend the terms of its existing senior facility agreement.

### 7.2 *US Microcap Portfolio Companies*

Aside from the negative impact of COVID-19 and the uncertainties of its nature, extent and duration noted in paragraph 3.1 above:

- (a) there have been no significant changes in the financial positions of:
  - (i) Flex Pack since 31 December 2019 (being the date to which the last audited financial statements were published);
  - (ii) Flow Controls since 31 December 2019 (being the date to which the last audited financial statements were published);
  - (iii) Testing Services since 31 December 2019 (being the date to which the last audited financial statements were published); and
  - (iv) Felix Storch since 31 December 2019 (being the date to which the last audited financial statements were published); and
- (b) the Company has no reason to believe there have been any such significant changes in the financial positions of:
  - (i) Peaceable since 31 December 2019 (being the date to which the last audited financial statements were published in respect of Orangewood PSC Holding, which is the holding company of Peaceable); and
  - (ii) TierPoint since 31 December 2019 (being the date to which the last audited financial statements were published).

## 8. **Material contracts**

### 8.1 *Company*

Other than the Sale Agreement, LPA (both of which are summarised in paragraph 2 of Part I ("*Chairman's Letter*") of this document) and the Guggenheim Amendment Agreement

summarised below, the Company has not entered into any contracts, other than in the ordinary course of business: (a) within the period of two years prior to the date of this document; or (b) which contain an obligation or entitlement that is material to the Company as at the date of this document and, in each case, which Ordinary Shareholders would reasonably require to make a properly informed assessment of how to vote on the Resolution to be proposed at the Extraordinary General Meeting concerning the Secondary Sale.

#### *Guggenheim Amendment Agreement*

On 22 October 2020, the Company entered into an amendment to the senior facility agreement originally entered into on 12 June 2015 (and as amended from time to time) for, among other purposes, the repayment of debt, general corporate purposes and the making of certain permitted investments with, among others, Guggenheim Partners as a senior lender, administrative agent for the senior lenders and collateral agent (the "**Guggenheim Amendment Agreement**").

The outstanding principal amount under the Guggenheim Amendment Agreement is approximately US\$150 million. Under the terms of the Guggenheim Amendment Agreement, approximately US\$40 million of the outstanding principal amount has been assigned from the existing lenders to replacement lenders, the Cohanzick Group. The replacement lenders (of approximately US\$40 million of the outstanding principal amount) have agreed, pursuant to an agreement among lenders, to be subordinated to the existing lenders (of approximately US\$110 million of the outstanding principal amount) under the Guggenheim Amendment Agreement. In exchange, it has been agreed under the Guggenheim Amendment Agreement that the interest rate payable by the Company for the loans funded by the replacement lenders will accrue interest at a rate of Libor + 11.00 per cent., instead of Libor + 5.75 per cent. as is applicable to the existing lenders. The Company has in turn secured more advantageous terms for itself including the minimum asset coverage covenant being reset (from not less than 4.00:1.00 to a lower threshold of initially not less than 3.25 to 1.00 and from completion of the Secondary Sale or 7 December 2020, whichever is earlier, not less than 3.50:1.00) and a relaxation of rating requirements, removal of certain concentration limits, updates to the use of proceeds requirements pertaining to asset sales to preserve liquidity, and reduced requirements related to its real estate collateral and reporting on investments. The Company has also agreed to certain limitations on permitted investments going forwards (consistent with its recently amended and restated investment policy), reductions to its permitted unsecured indebtedness and encumbrances, and certain restrictions on dividends until the senior debt is repaid. In addition, as mentioned above in paragraph 2 of Part I ("*Chairman's Letter*") of this document, the Company has agreed that US\$70 million of any proceeds received by the Company from the Secondary Sale and certain other recent dispositions will be used to repay the outstanding amounts under the Guggenheim Amendment Agreement.

In addition to those covenants already mentioned, the Guggenheim Amendment Agreement includes further covenants from the Company as well as certain events of default customary for an agreement of this nature. Certain of the Company's subsidiaries guarantee the payment and performance of the Company's secured obligations under the Guggenheim Amendments Agreement, including the payment of principal and interest on the same.

The term of the Guggenheim Amendment Agreement expires on 12 June 2021 with repayment falling due on the same date, albeit with the possibility of extension in certain limited circumstances.

The Guggenheim Amendment Agreement is governed by New York law.

#### 8.2 *US Microcap Portfolio Companies*

None of the four US Microcap Portfolio Companies sponsored by JZAI have entered into any contracts, other than in the ordinary course of business: (a) within the period of two years prior to the date of this document; or (b) which contain an obligation or entitlement that is material to the relevant US Microcap Portfolio Company as at the date of this document and, in each case, which Ordinary Shareholders would reasonably require to make a properly informed assessment of how to vote on the Resolution to be proposed at the Extraordinary General

Meeting concerning the Secondary Sale. As to Peaceable and TierPoint, the Company has no reason to believe there are any such contracts.

**9. Houlihan Lokey consent**

Houlihan Lokey has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of references to its name in the form and context in which they appear. A copy of this written consent is on display and available for inspection as set out in paragraph 10 of this Part III ("*Additional Information*") of this document.

**10. Documents on display**

Copies of the following documents will be available for inspection at the Company's registered office at PO Box 255, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3QL and at the offices of Ashurst LLP at 1 Duval Square, London Fruit and Wool Exchange, London E1 6PW, United Kingdom, in each case, during normal business hours on each business day from the date of this document until the close of the Extraordinary General Meeting to be held on 18 November 2020 including for 15 minutes prior to and during the Extraordinary General Meeting:

- (a) the memorandum of incorporation of the Company;
- (b) the Articles of the Company;
- (c) the audited annual accounts of the Company for the financial years ended 29 February 2020 and 28 February 2019;
- (d) the written consent letter from Houlihan Lokey referred to in paragraph 9 of this Part III ("*Additional Information*") of this document; and
- (e) this document.

## PART IV – DEFINITIONS

The following definitions apply throughout this document, the Notice of Extraordinary General Meeting and the accompanying Form of Proxy unless the context otherwise requires.

<b>"2020 Annual Report"</b>	the Company's annual report for the year ended 29 February 2020;
<b>"£" or "GBP" or "Pounds Sterling" or "pence"</b>	the lawful currency of the United Kingdom;
<b>"US\$" or "USD" or "US Dollars" or "cents"</b>	the lawful currency of the United States;
<b>"Aggregate Consideration"</b>	the Cash Consideration and the Special LP Interest, together; comprising the aggregate consideration for the Secondary Sale as more fully described in paragraph 2 of Part I (" <i>Chairman's Letter</i> ") of this document;
<b>"Articles" or "Articles of Incorporation"</b>	the articles of incorporation of the Company, as amended from time to time;
<b>"Board" or "Directors"</b>	the directors of the Company as at the date of this document whose names are set out on the first page of Part I (" <i>Chairman's Letter</i> ") and in paragraph 2.5 of Part III (" <i>Additional Information</i> ") of this document;
<b>"Cash Consideration"</b>	US\$90 million in cash (less any fees and expenses), subject to adjustments as set out in the Sale Agreement, comprising part of the aggregate consideration for the Secondary Sale as more fully described in paragraph 2 of Part I (" <i>Chairman's Letter</i> ") of this document;
<b>"Circular"</b>	this document including the Notice of Extraordinary General Meeting;
<b>"Class 1 Transaction"</b>	has the meaning given to it in the Listing Rules insofar as they apply to the Company by virtue of its voluntary compliance with the Listing Rules;
<b>"Cohanzick Group"</b>	clients and funds advised by Cohanzick Management, LLC and CrossingBridge Advisors, LLC;
<b>"Company" or "JZCP"</b>	JZ Capital Partners Limited (with registered number 48761);
<b>"CREST"</b>	the paperless settlement system operated by Euroclear governed by the CREST Regulations and any successor system or operator for the purposes of the CREST Regulations;
<b>"CREST Manual"</b>	the current version of the CREST Manual which at the date of this document is available on <a href="http://www.euroclear.co.uk/CREST">www.euroclear.co.uk/CREST</a> ;
<b>"CREST Proxy Instructions"</b>	a proxy appointment or instruction made using the CREST service via an appropriate CREST message;
<b>"CREST Regulations"</b>	the Uncertificated Securities Regulations 2001 (S.I. 2001, No. 3755);
<b>"CREST Sponsor"</b>	a CREST participant admitted to CREST as a CREST sponsor;
<b>"CREST Sponsored Member"</b>	a CREST member admitted to CREST as a sponsored member;

<b>"CULS" or "convertible unsecured subordinated loan stock"</b>	the 6.00 per cent. convertible unsecured subordinated loan stock due 2021 of the Company in an aggregate nominal amount of £38,861,140 in issue as at the Latest Practicable Date;
<b>"Disclosure and Transparency Rules"</b>	the disclosure guidance and the transparency rules sourcebook made by the FCA pursuant to section 73A of the FSMA, as amended;
<b>"Euroclear"</b>	Euroclear UK & Ireland Limited, the operator of CREST;
<b>"Extraordinary General Meeting"</b>	the extraordinary general meeting of the Company to be held at 1.00 p.m. on 18 November 2020 at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL, Channel Islands, including any adjournment thereof, notice of which is set out in the Notice of Extraordinary General Meeting;
<b>"FCA"</b>	the Financial Conduct Authority, including acting in its capacity as a competent authority for the purposes of Part VI of the FSMA;
<b>"Felix Storch"</b>	Felix Storch Holdings, LLC;
<b>"Flex Pack"</b>	ACW Flex Pack, LLC;
<b>"Flow Controls"</b>	Flow Controls Holding, LLC;
<b>"Form of Proxy"</b>	the form of proxy accompanying this document for use by Ordinary Shareholders in connection with the Extraordinary General Meeting;
<b>"FSMA"</b>	the Financial Services and Markets Act 2000, as amended;
<b>"Guggenheim Amendment Agreement"</b>	the amendment agreement, dated 22 October 2020 between, <i>inter alios</i> , JZCP, as borrower, and Guggenheim Partners, as a senior lender, administrative agent for the senior lenders and collateral agent;
<b>"Guggenheim Partners"</b>	Guggenheim Partners Europe Limited;
<b>"Hamilton Lane"</b>	Hamilton Lane Advisors, L.L.C.;
<b>"HL Investors"</b>	certain funds and accounts managed by Hamilton Lane Advisors, L.L.C.;
<b>"Houlihan Lokey"</b>	Houlihan Lokey Capital, Inc.;
<b>"Initial Investment Amount"</b>	the initial investment of US\$90 million to be funded severally and not jointly by the HL Investors at the time of closing of the Secondary Sale, as more fully described in paragraph 2 of Part I (" <i>Chairman's Letter</i> ") of this document;
<b>"Investment Advisory Agreement"</b>	the investment advisory and management agreement dated 23 December 2010 between the Company and JZAI, as amended from time to time;
<b>"JZAI" or "Investment Adviser"</b>	Jordan/Zalaznick Advisers, Inc., a Delaware USA corporation wholly-owned by the JZAI Founders, including (as the case may be and as the context may require) its affiliates;
<b>"JZAI Founders"</b>	David W. Zalaznick and John (Jay) W. Jordan II together;

<b>"JZAI Investors"</b>	the JZAI Investors (or their respective affiliates) and various members of the JZAI US microcap investment team;
<b>"Latest Practicable Date"</b>	the latest practicable date prior to publication of this document, being 28 October 2020;
<b>"Listing Rules"</b>	the listing rules made by the FCA pursuant to section 73A of the FSMA, as amended;
<b>"London Stock Exchange"</b>	the London Stock Exchange plc;
<b>"LPA"</b>	the amendment and restatement agreement of limited partnership in relation to the Secondary Fund to be entered into between, <i>inter alios</i> , JZHL GP LLC, as general partner of the Secondary Fund, JZHL Manager LLC, as a limited partner of the Secondary Fund, affiliates of Hamilton Lane, as limited partners of the Secondary Fund and JZCP Special LP Ltd., as the special partner of the Secondary Fund, as more fully described in paragraph 2 of Part I (" <i>Chairman's Letter</i> ") of this document;
<b>"NAV"</b>	net asset value;
<b>"Notice of Extraordinary General Meeting" or "Notice"</b>	the notice of Extraordinary General Meeting set out at the end of this document;
<b>"Ordinary Resolution"</b>	a resolution passed by a majority of more than 50 per cent. of the votes cast, whether in person or by proxy;
<b>"Ordinary Shareholders"</b>	holders of Ordinary Shares;
<b>"Ordinary Shares"</b>	the ordinary shares of no par value in the capital of the Company;
<b>"Peaceable"</b>	Peaceable Street Capital, LLC;
<b>"Related Party" or "Related Parties"</b>	has the meaning given to it in the Listing Rules insofar as they apply to the Company by virtue of its voluntary compliance with the Listing Rules;
<b>"Related Party Transaction"</b>	has the meaning given to it in the Listing Rules insofar as they apply to the Company by virtue of its voluntary compliance with the Listing Rules;
<b>"Resolution"</b>	the resolution relating to the Secondary Sale to be proposed at the Extraordinary General Meeting as set out in the Notice of Meeting;
<b>"Sale Agreement"</b>	has the meaning given in paragraph 2 of Part I (" <i>Chairman's Letter</i> ") of this document;
<b>"Secondary Fund"</b>	JZHL Secondary Fund LP;
<b>"Secondary Investors"</b>	the secondary investors in the Secondary Fund, being the HL Investors and the JZAI Investors;
<b>"Secondary Sale"</b>	the Company's proposed disposal of its ownership interests in the US Microcap Portfolio Companies to the Secondary Fund as more fully described in paragraph 2 of Part I (" <i>Chairman's Letter</i> ") of this document;
<b>"Shareholders"</b>	holders of Shares;

<b>"Shares"</b>	the Ordinary Shares and/or the ZDP Shares (as the case may be and as the context may require);
<b>"Special LP Interest"</b>	the special limited partner interest in the Secondary Fund comprising part of the aggregate consideration for the Secondary Sale as more fully described in paragraph 2 of Part I (" <i>Chairman's Letter</i> ") of this document;
<b>"Testing Services"</b>	Testing Services Holdings, LLC;
<b>"TierPoint"</b>	TierPoint LLC;
<b>"UK" or "United Kingdom"</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>"Unfunded Amount"</b>	up to US\$20 million of unfunded capital commitments expected to be contributed to the Secondary Fund severally (and not jointly) by the Secondary Investors, as more fully described in paragraph 2 of Part I (" <i>Chairman's Letter</i> ") of this document;
<b>"US" or "USA" or "United States"</b>	the United States of America, its territories and possessions any state of the United States and the District of Columbia;
<b>"US Microcap Portfolio Companies"</b>	Flex Pack, Flow Controls, Testing Services, Felix Storch, Peaceable and TierPoint;
<b>"ZDP Shareholders"</b>	holders of ZDP Shares; and
<b>"ZDP Shares"</b>	the zero dividend redeemable preference shares of no par value in the capital of the Company issued on or around 22 June 2009 and exchanged on or around 1 October 2015.

## NOTICE OF EXTRAORDINARY GENERAL MEETING

### **JZ Capital Partners Limited (the "Company") (registered number 48761)**

Notice is hereby given that an Extraordinary General Meeting of the Company will be held at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL, Channel Islands at 1.00 p.m. on 18 November 2020 to consider and, if thought fit, pass the following Resolution.

The Resolution is intended to be proposed as an Ordinary Resolution.

Ordinary Shareholders only will be entitled to vote on the Resolution. For the avoidance of doubt, ZDP Shareholders will not be entitled to vote on the Resolution. Each of the JZAI Founders (or their respective affiliates) and various members of the JZAI US microcap investment team have undertaken not to vote, and has taken all reasonable steps to ensure that their respective associates will not vote, on the Resolution.

### **ORDINARY RESOLUTION**

THAT, the Class 1 Transaction and Related Party Transaction relating to the Company's disposal of 100 per cent. of its ownership interests in ACW Flex Pack, LLC, Flow Controls Holdings, LLC, Testing Services Holdings, LLC, Felix Storch Holdings, LLC, Peaceable Street Capital, LLC, and TierPoint LLC on the terms summarised in paragraph 2 of Part I ("*Chairman's Letter*") of the Circular (as defined below), be and is hereby approved for the purposes of Chapters 10 and 11 of the Listing Rules, insofar as they apply to the Company by virtue of its voluntary compliance with the Listing Rules.

Words and expressions defined in the circular dated 29 October 2020 and published by the Company (the "**Circular**") shall, unless the context otherwise requires, have the same meaning in this Notice of Extraordinary General Meeting.

By order of the Board  
Northern Trust International Fund Administration Services (Guernsey) Limited (Secretary)  
Trafalgar Court  
Les Banques  
St Peter Port  
Guernsey  
GY1 3QL  
Channel Islands

Dated 29 October 2020

### **Notes re your Form of Proxy and voting at the Extraordinary General Meeting:**

When considering what action you should take, you should seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended, if you are a resident in the United Kingdom or, if not, from another appropriately authorised financial adviser without delay.

If you sell or otherwise transfer or have sold or otherwise transferred all of your registered holding of Shares, please send this document, together in the case of Ordinary Shareholders with the accompanying Form of Proxy, 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 delivery to the purchaser or transferee. However, such documents should not be sent, forwarded or transmitted in, into or from any jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction. If you sell or otherwise transfer or have sold or otherwise transferred part of your registered holding of Shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

### **COVID-19**

The Company has been closely monitoring the evolving situation relating to the outbreak of Coronavirus (COVID-19), including the current guidance and restrictions on travel and public gatherings and social

distancing. The priority of the Company's Board at this time is the health, safety and wellbeing of all Shareholders and Directors.

With effect from 20 June 2020, the States of Guernsey implemented Phase 5 of its transitional plan to ease the stay at home and travel restrictions originally introduced on 25 March 2020 in light of COVID-19. Whilst restrictions within Guernsey have been eased, permitting gatherings to take place within Guernsey, any persons arriving into Guernsey are presently required to self-isolate for a period of between 7 to 14 days upon arrival (subject to satisfaction of certain criteria).

In light of the restrictions in place from 20 June 2020, whilst Guernsey based Shareholders are permitted to attend the Extraordinary General Meeting in person, Shareholders from outside of Guernsey are strongly encouraged to appoint the Chairman of the meeting or the Company Secretary as their proxy and provide voting instructions in advance of the Extraordinary General Meeting, in accordance with the instructions explained in this paragraph and in the Notice of Extraordinary General Meeting set out at the end of this document.

Shareholders are strongly encouraged to exercise their voting rights by completing and submitting a Form of Proxy. It is highly recommended that Shareholders submit their Form of Proxy as early as possible to ensure that their votes are counted at the Extraordinary General Meeting.

The Company will continue to closely monitor the situation in the lead up to the Extraordinary General Meeting and will make any further updates as required about the meeting on its website at [www.jzcp.com](http://www.jzcp.com).

### **Rights to attend and vote**

In accordance with the Articles of Incorporation of the Company, only the Ordinary Shareholders are entitled to attend and vote at the Extraordinary General Meeting if they are so entitled. ZDP Shareholders are not entitled to attend or vote at the Extraordinary General Meeting.

The Company specifies that, in order to have the right to attend and vote at the Extraordinary General Meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company by no later than 6.30 p.m. on 16 November 2020, or in the event that the meeting is adjourned, by no later than 6.30 p.m. on the date two days before the date of the adjourned meeting. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the Extraordinary General Meeting.

### **Proxies**

A member entitled to attend and vote may appoint a proxy or proxies who need not be a member of the Company to attend and to vote instead of him, her or it. A member may appoint more than one proxy in relation to the Extraordinary General Meeting, provided that each proxy is appointed to exercise the rights attached to different Ordinary Shares held by him, her or it.

If it is desired to appoint a proxy or proxies, the name(s) of the proxy or proxies desired must be inserted in the space provided on the Form of Proxy. If no name(s) is entered, the return of the Form of Proxy duly signed will authorise the Chairman of the Extraordinary General Meeting or the Company Secretary to act as your proxy.

Please indicate with an "X" in the appropriate box on the Form of Proxy how you wish your vote to be cast in respect of the Resolution on which you are entitled to vote at the Extraordinary General Meeting. If you do not insert an "X" in the appropriate box on the Form of Proxy your proxy will vote or abstain at his, her or its discretion.

If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the appropriate box on the Form of Proxy the number of Ordinary Shares in relation to which they are authorised to act as your proxy. If the box is left blank, your proxy will be deemed to be authorised in respect of your full voting entitlement (or if the Form of Proxy has been issued in respect of a designated account for a member, the full voting entitlement for that designated account). To appoint more than one proxy (an) additional proxy form(s) may be obtained by contacting Equiniti Limited by telephone on

0371 384 2265, if calling from within the United Kingdom, or on +44 121 415 7047, if calling from outside the United Kingdom or you may photocopy the Form of Proxy. Calls to the +44 121 415 7047 number from outside the United Kingdom will be charged at applicable international rates. Different charges may apply to calls from mobile telephones. Lines are open 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (excluding public holidays in England and Wales). Please insert in the space provided and in the appropriate box on the Form of Proxy (see above) the proxy holder's name and the number of Ordinary Shares in relation to which they are authorised to act as your proxy. Please also indicate with an "X" in the appropriate box on the Form of Proxy if the proxy instruction is one of the multiple instructions being given. All Forms of Proxy must be signed and should be returned together in the same envelope.

The instrument appointing a proxy must be in writing under the hand of the appointor or of his, her or its attorney duly authorised in writing or if the appointor is a corporation under its common seal or under the hand of an officer or attorney duly authorised.

The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority must be deposited with Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom not less than 48 hours before the time for holding the Extraordinary General Meeting (excluding any part of a day which is non-working), or in the event that the meeting is adjourned, not less than 48 hours before the time for holding the adjourned meeting (excluding any part of a day which is non-working) and in default unless the Board directs otherwise the instrument of proxy shall not be treated as valid.

The Form of Proxy may be sent by post or transmitted to Equiniti Limited. "By post" means by registered post, recorded delivery service or ordinary letter post and "transmitted" means transmitted by electronic communication. Accordingly, you may send the Form of Proxy by post to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom or transmit it by email to proxyvotes@equiniti.com (and in the case of email with the original to follow by post to Equiniti Limited). In the case of email, should the original Form of Proxy not be received by post, the electronic version shall still be treated as valid (provided it is returned before the proxy cut-off as detailed above).

If you are sending the Form of Proxy by post from outside the United Kingdom, you will need to place the Form of Proxy in a reply paid envelope and post the envelope to Equiniti Limited. In order to ensure that the Form of Proxy is received before the proxy cut-off date as detailed above, you should also transmit the Form of Proxy by email.

To change your proxy instructions, simply submit a new proxy appointment using the method set out above. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence. Please note that the cut-off time for receipt of proxy appointments also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

The appointment of a proxy, by instrument in writing or electronically, will not preclude a member so entitled from attending the Extraordinary General Meeting and voting in person should they wish to do so.

#### **Joint holders**

All joint holders of Ordinary Shares should be named but the signature of any one is sufficient. In all cases, names must be entered as they appear on the register of members of the Company.

Where there are joint registered holders of any Ordinary Share such persons shall not have the right of voting individually in respect of such Ordinary Share but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election the person whose name stands first on the register of members shall alone be entitled to vote.

#### **CREST**

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual, which can be viewed at [www.euroclear.com](http://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 service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or the amendment to the instructions given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time for receipt of proxy appointments specified above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST Sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST person member or sponsored member or has appointed a voting service provider(s), to procure that his, her or its CREST Sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this 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 Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the CREST Regulations.

#### **Corporate representatives**

Any corporation which is an Ordinary Shareholder may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the Extraordinary General Meeting and the person so authorised shall be entitled to exercise on behalf of the corporation he, she or it represents the same powers (other than to appoint a proxy) as that corporation could exercise if it were an individual member.

Representatives of Ordinary Shareholders that are corporations will have to produce evidence of their proper appointment when attending the Extraordinary General Meeting. Please contact Equiniti Limited if you need any further guidance on this.

#### **Limitations of electronic addresses**

You may not use any electronic address provided in either this Notice of Extraordinary General Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

#### **The address of the website where certain Extraordinary General Meeting information is available**

A copy of this Notice of Extraordinary General Meeting can be found on the Company's website at [www.jzcp.com](http://www.jzcp.com).