

HL Retail Offer Risk Warning

ABOUT THIS RISK WARNING

Before participating in any Offers under our Retail Offer Terms, it is important that you read and understand this Retail Offer Risk Warning.

This Risk Warning applies to any Offers undertaken under our Retail Offer Terms and are in addition to any risk factors or warnings published in relation to a specific Offer, whether by the issuer concerned or by us. You should always take care to read the Offer specific Risk Warnings.

This risk warning supplements the Retail Offer Terms, Terms and Conditions of the HL Service and Important investment Notes as apply to your HL Services in general. Words and expressed which are capitalised used in this risk warning have the same meaning as given to them in the Retail Offer Terms.

INVESTMENT RISK

Offers may involve a significant degree of risk including loss of capital, rarity of dividends, lack of liquidity and potential for dilution and should only be done as part of a diversified portfolio. The value of an investment and the income from it could go down as well as up. The return of your investment is not guaranteed and you may get back less than you originally invested. Past performance is not an indicator of future performance. Suffering a loss on your investment is always a possibility. Capital is at risk.

HIGH RISK INVESTMENTS

There is an extra risk of losing money when purchasing investments in some smaller companies and companies that operate in high-risk sectors and/or sensitive jurisdictions and/or undertake high levels of research and development, which requires significant capital expenditure and may not produce income. There may be a significant difference between the bid and offer price of these securities and they may not be readily realisable.

LIQUIDITY

Investments made through our Retail Offer Service may not be or become readily realisable because they are securities in which there may be a restricted market and it may therefore be difficult to sell these securities at a reasonable price and in some circumstances it may be difficult to sell them at any price or obtain reliable information about their value. You should not buy these types of securities or subscribe to an Offer unless you have carefully thought about whether you can afford to do so and whether the investment is right for you.

HL does not make an assessment of the liquidity of securities issued by any particular company, and this is also something which changes over time in any event. You should not assume that once you own any securities that you will be able to sell them quickly or at a price equal to or greater than the price you paid for them. Under certain conditions it may be difficult or impossible to liquidate a position.

DILUTION

Securities acquired through the Retail Offer Service may be subject to dilution in the future. Dilution occurs when a company issues more shares if it needs to do so to secure additional financing after the Offer.

DIVERSIFICATION

The potential gains and losses that may arise from your investments will depend on your appetite for risk and how you manage your approach to risk. Investing all your money into one type of investment can be a high-risk strategy and concentrate risks to which you and that type of investment may be exposed. You should consider diversifying your investments you make across different companies' securities and different asset classes.

LACK OF OPERATING HISTORY

Some companies the subject of Offers may be in the early stage of development not have a substantive operating history upon which investors can evaluate likely performance.

DIVIDENDS

Not all companies the subject of an Offer will pay dividends from the start and so you may not see any return on your investment if you do not hold the investment until dividends start being paid. You should

PRICING

Investing through our Retail Offer service is different from placing orders on exchange or other platform because you are purchasing securities directly from the company which is issuing the securities and we are only arranging the transaction. The relevant securities are offered at a fixed price and we do not seek the best price in the marketplace.

If there is no prior market for a company's securities then the offering price will be determined by negotiation between the company and its underwriters based on a range of factors. Following the Offer the market price for the securities may be subject to significant fluctuations.

DEMAND FOR OFFER

Your ability to obtain securities as part of an Offer may be significantly limited because overall demand may far exceed the actual supply of securities coming to market.

RESPONSIBILITY FOR OFFER INFORMATION

HL is not responsible for any representations made by issuers in relation to an Offer. You should read the publicly available information for the relevant company.