

RISKS NOT SPECIFIC TO PRIVATE AND PUBLIC MICRO-CAP COMPANIES

This Information Memorandum contains forward-looking statements which relate to the Company's future prospects, developments and business strategies. These statements are identified by their use of terms and phrases such as 'believe', 'could', 'envisage', 'estimate', 'intend', 'may', 'plan', 'will' or the negative of those terms and phrases, variations or comparable expressions, including references to assumptions. Such statements are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. Whilst the director is optimistic about the prospects for the Company, if one or more of these risks or uncertainties materialises, or if underlying assumptions prove incorrect, the Company's actual results may vary materially from those expected, estimated or projected. Given these risks and uncertainties, potential investors should not place any reliance on forward-looking statements.

These statements speak only as at the date of this Information Memorandum. Neither the Company nor its director undertake any obligation to update forward-looking statements or Risk Factors other than as may be required by the rules of any securities regulatory authority, whether as a result of new information, future events or otherwise. In large part the future valuation placed upon the Company by the director is based on the assumptions made in the forward-looking statements, and has been used to set a price at which to raise monies from new investors.

The director considers that the Company will have adequate working capital, following the Placing, to implement its current business plan for twelve months from the date of this Information Memorandum. However, the operational performance of the Company may require more working capital than is envisaged. There can be no assurance that the Company

will have sufficient financial resources or be able to raise further capital on acceptable terms.

The continued success of the Company will depend, in large part, upon the skill and expertise of the Company's director and senior management. There is no assurance that the principals or other key members of that management will continue to be employed for any period. In the event of the death, disability or departure of any of such individuals, the business and the performance of the Company may be adversely affected.

There is no certainty that the Company will generate sufficient profits to be able to pay the Coupon, although the director envisages that with the availability of additional funds, they will be able to conduct sufficient business to meet the Coupon commitments and more.

The value of bonds can rise or fall and an investment in a bond not traded on a regulated market will be significantly less liquid and carry a higher risk than an investment in a share or bond listed on the Official List of a major stock exchange.

The Company's Bonds are not suitable as a short-term investment in view of the five-year Maturity Date. They should be considered medium to long-term investments.

The Bonds are a secured debt of the Company although there is no certainty or guarantee that the Company will be able to repay them in the event of default. The investment funds raised are deposited into a designated account under the exclusive control of the Bond Registrar. Under these circumstances, the director can foresee no reason why the Company, at any given point in time, be unable to repay the Bonds.

The general economic climate is volatile and is affected by numerous factors which are

beyond the Company's control and which may affect its operations, business and profitability. These factors include the supply and demand of capital, growth in gross domestic product, employment trends and industrial disruption, international economic trends, currency exchange rate fluctuations, the level of interest rates and the rate of inflation, global or regional political events and international events, as well as a range of other market forces, all of which have an impact on demand, business costs and stock market prices.

Political conditions are subject to the introduction of new legislation, amendments to existing legislation by governments or the interpretation of those laws by governments which could impact adversely on the assets, operations and ultimate financial performance of the Company. Lack of political stability, changes in political attitudes and changes to government regulations relating to foreign investment and sustainable projects are beyond the control of the Company and may adversely affect its business. Operations may be affected to varying degrees by government regulation with respect to restrictions on various areas, including production, labour costs, price controls, income taxes, expropriation of property and environmental legislation.

An investment in the Bonds involves a degree of risk and may not be suitable for all recipients of this Information Memorandum. They are reminded that the price at which investors may realise their investment in the Bonds and the timing of any disposal of them may be influenced

OTHER RELEVANT INFORMATION

Incorporation

The Company was incorporated in England and Wales on 2 July 2015 under the name of Nova Prime Developments Limited and designated the registration number of 09666665.

by a large number of factors, some specific to the Company and its proposed operations, some which may affect the Company generally. These factors could include the performance of the Company's operations, liquidity or absence of liquidity in the Bonds, legislative or regulatory changes relating to the business of the Company and general economic conditions. In summary, the value of bonds can go down as well as up. The Bonds are not listed or dealt on any stock exchange. Investments in an unquoted security of this nature, being an illiquid investment, is speculative, involving a degree of risk.

The information set out in this Invitation Document relating to taxation may be subject to legislative change.

Although the director will seek to minimise the impact of the Risk Factors, investment in the Company should only be made by investors able to sustain a loss of their investment.

Conflict of Interest

Potential conflicts of interest exist in the structure, the investment process and operation of the Company and its dealings.

The Directors, officers and advisors have a fiduciary duty to the Company and consequently have exercised and will continue to exercise good faith and integrity in handling all the Company's affairs. Should a conflict of interest arise, the director of the Company will endeavour to ensure that it is resolved fairly.

The principal legislation and jurisdiction under which the Company operates is the United Kingdom.

The Company's registered office is at 27, Gloucester Place, London - W1U 8HU.

Working Capital and Administration Budget

The director is of the opinion that the working capital available to the Company will be sufficient for its present requirements. The subscription sums that are invested in the Company will be subject to certain fees and expenses amounting to 12% of the subscription sums.

Key Financial Information

The issued share capital of the Company as at the date of this Information Memorandum is £45,000 fully paid-up ordinary shares held by Waqas Khan.

Save as set out in this Information Memorandum, the Company has no present intention to issue any further shares in the Company.

The Company does not have in issue any securities not representing share capital.

There are no outstanding convertible securities issued by the Company.

Save as disclosed in this Information Memorandum, no share capital of the Company is under option or has been agreed conditionally or unconditionally to be put under option.

Expected Timetable of Principal Events

There is no closing date for subscriptions.

Dispatch of Bond certificates will be within 3 days of Registration.

Director and Senior Management Service Agreements

Industry standard service agreements have been entered into by the director and each of the Senior Management with the Company.

Director's Interests and Other Information

The director's interest in the issued Ordinary Shares in the Company is as follows:

Waqas Khan holds 45,000 fully paid-up ordinary shares which constitutes 100% of the issued share capital of the company.

There are no other interests of the director or of persons connected with them in the Share Capital of the Company as at the date of this Information Memorandum, save as already disclosed in this Information Memorandum, which have been notified to the Company.

Save as disclosed in this Information Memorandum, no Director nor any member of their respective immediate families, nor any person connected with them is interested in any share capital of the Company.

No loan or guarantee has been granted or provided by the Company to any Director or any person connected with them.

Save as disclosed in this Information Memorandum, the Directors have not nor have had any interest in transactions effected by the Company since its incorporation which are or were unusual in their nature or conditions or which are or were significant to the business of the Company.

Save as disclosed in this Information Memorandum, no Director has :

- a) any unspent convictions in relation to indictable offences;
- b) had any assets, which have been subject to receivership;
- c) become or been declared bankrupt or entered into any individual voluntary arrangement with his creditors;
- d) been a partner of a partnership at the time of or within twelve months preceding the placement into receivership of any asset of that partnership;
- e) been a partner of a partnership at the time of or within twelve months preceding any bankruptcy, compulsory liquidation, creditors voluntary liquidation, receivership, administration, voluntary arrangement or any composition or arrangement with its creditors general or any class of creditor of such partnership;

f) been a director of a company at the time of or within twelve months preceding the placement into receivership of any asset of that company;

g) been a director of any Company at the time of or within twelve months preceding any compulsory liquidation, creditors voluntary liquidation, receivership, administration, voluntary arrangement or any composition or arrangement with its creditors generally or any class of creditor of such company; or

h) been publicly criticised by any statutory or regulatory authority (including recognised professional bodies), or disqualified by a court from acting as a director of a company or for acting in the management or conduct of the affairs of any company.

Taxation

Taxation rules change from time to time. The following paragraphs include advice about the tax position of bondholders who are resident in the UK for tax purposes and who hold their Bonds as investments and not as an asset of a financial trade.

The statements below are intended only as a general guide and do not constitute advice to any Investor on his personal tax position and may not apply to certain classes of Investor (such as dealers or UK insurance companies). The comments are intended as a general guide and based on current legislation and HM Revenue & Customs practice. Any Investors who are in doubt as to their tax position and, in particular, those who are subject to taxation in a jurisdiction other than the UK, are strongly advised to consult with their professional adviser.

Taxation of the Company

The Company is registered in the United Kingdom and is liable to the tax regime in the UK. Taxes, depending on the status of the Company, are expected to be no more than 20% on taxable profits.

Taxation of Bond Coupon Payments

Under current UK tax legislation, income tax withholding at a fixed rate of 20% is required from payments of the Coupon on the Bonds by the Company. Interest is calculated and paid bi-annually.

Holders of Coupons who are individuals or trustees and who are resident in the UK or who carry on a trade in the UK through a branch or agency to which the Coupons are attributable may be subject to UK income or capital gains tax on their holding, disposal or redemption on Coupons. The nature of the tax charge will depend on the terms of the Coupon in question and the particular circumstances of the relevant Coupon holder. In particular such Coupon holders should have regard to the chargeable gains tax legislation, the 'accrued income scheme' and the relevant 'discounted securities' legislation.

Capital Gains Tax

Given the nature of the Bonds, CGT should not apply in most cases and no CGT will arise on the repayment or redemption of the Bond.

Litigation

The Company is not currently engaged in any legal or arbitration proceedings which may have or has had in the last twelve months a significant effect on the financial position of the Company and, so far as the director is aware, there are no such proceedings pending or threatened against the Company.

Accounting Periods

The accounting reference date of the Company is the 31 July each year.

Accountants & Auditors

The Company has appointed Stoke Henley LLP as their auditors.