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This announcement is an advertisement only and does not constitute a prospectus. Investors who wish to subscribe for or purchase shares in the Company are reminded that any such subscription or purchase should only be made on the basis of the information contained in the prospectus dated 21 December 2018 (and any supplement thereto) and not on the information contained in this announcement. This is a financial promotion and is not intended to be investment advice.

21 December 2018

**Honeycomb Investment Trust plc
(the "Company")**

Publication of Prospectus

The board of directors of the Company (the "**Board**") is pleased to announce the publication of a prospectus (the "**Prospectus**") in relation to a share issuance programme of up to 40 million new Ordinary Shares and/or C Shares (the "**Placing Programme**").

The Placing Programme is being implemented to enable the Company to raise additional capital, should the Board determine that market conditions are appropriate. The Placing Programme is intended to be flexible and may have a number of closing dates in order to provide the Company with the ability to issue and allot Ordinary Shares and/or C Shares over a period of time.

The Issue Price for each Placing of Ordinary Shares under the Placing Programme will be determined by the Directors, taking into consideration, *inter alia*, the prevailing market conditions at that time. The Issue Price in respect of Ordinary Shares will be notified via an RNS announcement as soon as practicable in conjunction with each issue. C Shares issued under the Placing Programme will be issued at an Issue Price of £10 per C Share.

The terms and conditions which shall apply to any subscription for Issue Shares pursuant to the Placing Programme are set out in the Prospectus. The Placing Programme will conclude on 20 December 2019, unless terminated earlier by the Company.

The Prospectus will shortly be made available on the Company's website (www.honeycombplc.com) and on the National Storage Mechanism at <http://www.morningstar.co.uk/uk/nsm>.

Capitalised terms used but not defined in this announcement have the same meanings as set out in the Prospectus.

ENQUIRIES

For further information, please contact:

Pollen Street Capital Limited

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Liberum Capital Limited

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Honeycomb Investment Trust plc

The Company is a specialist lending fund whose investment objective is to provide shareholders with an attractive level of dividend income and capital growth through the acquisition of interests in loans made to consumers and small business as well as other counterparties. The Company may also make selected equity investments that align with the Company's strategy, and that present opportunities to enhance the Company's returns from its investments.

The Company believes that consumer, property and SME loans are asset classes that have the potential to provide attractive returns for investors on a risk-adjusted basis. Changes in the focus of mainstream lenders together with the implementation of new models that utilise data, analytics and technology more effectively, provide an opportunity to deliver improved products to borrowers while generating attractive returns for the Company.

The Company and the Investment Manager (defined below) seek to acquire credit assets which meet the specified underwriting criteria through three routes; (1) organically originate and acquire through referral partners which source opportunities; (2) acquiring seasoned portfolios; and (3) providing senior and mezzanine structured loans secured on portfolios of consumer, property and SME loans.

Pollen Street Capital Limited

Pollen Street Capital Limited (the "**Investment Manager**") serves as the Company's investment manager and has been appointed as an alternative investment fund manager for the purposes of the AIFM Directive. The Investment Manager is responsible for the discretionary management of the Portfolio. The Investment Manager is authorised and regulated in the UK by the Financial Conduct Authority.

The Investment Manager was formed in November 2013 when the Royal Bank of Scotland private equity team spun-out to establish an independent fund management business. The firm has focussed primarily on the financial and business services sectors.

IMPORTANT NOTICE

This announcement, which constitutes a financial promotion for the purposes of the Financial Services and Markets Act 2000 and which has been prepared by, and is the sole responsibility of, the Company, has been approved solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000 by a company that is authorised and regulated by the UK Financial Conduct Authority ("**FCA**").

This announcement is an advertisement and does not constitute a prospectus relating to the Company and does not constitute, or form part of, any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe

for, any Issue Shares in the Company in any jurisdiction nor shall it, or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with or act as any inducement to enter into, any contract therefor.

The information contained in this announcement is for background purposes only and does not purport to be full or complete. Investors should not purchase or subscribe for any transferable securities referred to in this announcement except on the basis of information contained in the Prospectus (and any supplementary prospectus). Copies of the Prospectus will shortly be made available for viewing at the National Storage Mechanism at www.morningstar.co.uk/uk/NSM and on the Company's website at <http://www.honeycombplc.com/documents/>.

The Issue Shares are only suitable for investors: (i) who are institutional, professional, professionally advised and knowledgeable; (ii) for whom an investment in the Issue Shares is part of a diversified investment programme; and (iii) who fully understand and are willing to assume the risks involved in such an investment, including the potential risks of capital loss and that there may be limited liquidity in the underlying investments of the Company. The value of shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested. If you are in any doubt about the contents of this announcement you should consult your accountant, legal or other professional adviser or financial adviser. Past performance is not a guide to future performance and the information in this announcement or any documents relating to the Issue cannot be relied upon as a guide to future performance.

Liberum Capital Limited is acting only for the Company in connection with the matters described in this announcement and is not acting for or advising any other person, or treating any other person as its client, in relation thereto and will not be responsible for providing the regulatory protection afforded to clients of Liberum Capital Limited or advice to any other person in relation to the matters contained herein.

Neither Liberum Capital Limited nor the Investment Manager nor any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of, the information in this announcement (or whether any information has been omitted from this announcement) or any information relating to the Company, whether written, oral or in a visual or electronic format, and howsoever transmitted or made available or any loss howsoever arising from any use of this announcement or its contents to otherwise in connection with it.

The Issue Shares have not been, nor will they be, registered under the US Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States or under the applicable securities laws of any member state of the EEA (other than the United Kingdom), Australia, Canada, Japan, or South Africa. Accordingly, subject to certain exceptions, the Issue Shares may not be offered or sold in any member state of the EEA (other than the United Kingdom), the United States, Australia, Canada, Japan or South Africa or to or for the account or benefit of any national, resident or citizen of any member state of the EEA (other than the United Kingdom), Australia, Canada, Japan, South Africa, the United States or to, or for the account or benefit of US persons (as defined in Regulation S under the Securities Act). The Issue and the distribution of this announcement in other

jurisdictions may be restricted by law and the persons into whose possession this announcement comes should inform themselves about, and observe, any such restrictions.

The Company has not been, and will not be, registered under the US Investment Company Act of 1940, as amended.

This announcement may include "forward-looking statements". All statements other than statements of historical fact included in this announcement, including, without limitation, those regarding and target returns, are forward-looking statements. Forward-looking statements are subject to risks and uncertainties and accordingly the Company's actual future financial results and performance may differ materially from the results and performance expressed in, or implied by, the statements. These factors include but are not limited to those described in the Prospectus. These forward-looking statements speak only as at the date of this announcement. The Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect actual results or any change in the assumptions, conditions or circumstances on which any such statements are based unless required to do so by the Financial Services and Markets Act 2000, the Listing Rules or Prospectus Rules of the FCA or other applicable laws, regulations or rules.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Productive Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any manufacturer (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Issue Shares have been subject to a product approval process, which has determined that such Issue Shares are: (i) compatible with an end target market of retail investors who understand, or have been advised of, the potential risk of investing in companies admitted to the Specialist Fund Segment and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Issue Shares may decline and investors could lose all or part of their investment; the Issue Shares offer no guaranteed income and no capital protection; and an investment in the Issue Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Liberum will, pursuant to the Placing Programme, only procure Placees who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Issue Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Issue Shares and determining appropriate distribution channels.

PRIIPS (as defined below)

In accordance with the Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products ("PRIIPs") and its implementing and delegated acts (the "PRIIPs Regulation"), the Company has prepared a key information document (the "KID") in respect of the Ordinary Shares. The KID is made available by the Company to "retail investors" prior to them making an investment decision in respect of the Ordinary Shares at <http://www.honeycombplc.com/documents/>.

If you are distributing Ordinary Shares, it is your responsibility to ensure that the KID is provided to any clients that are "retail clients".

The Company is the only manufacturer of the Ordinary Shares for the purposes of the PRIIPs Regulation and neither Liberum nor the Investment Manager are manufacturers for these purposes. Neither Liberum nor the Investment Manager makes any representations, express or implied, or accepts any responsibility whatsoever for the contents of the KID prepared by the Company nor accepts any responsibility to update the contents of the KID in accordance with the PRIIPs Regulation, to undertake any review processes in relation thereto or to provide the KID to future distributors of Ordinary Shares. Each of Liberum nor the Investment Manager and their respective affiliates accordingly disclaim all and any liability whether arising in tort or contract or otherwise which it or they might have in respect of the key information documents prepared by the Company. Investors should note that the procedure for calculating the risks, costs and potential returns in the KID are prescribed by laws. The figures in the KID may not reflect actual returns for the Company and anticipated performance returns cannot be guaranteed.

The Company will prepare and publish a key information document in respect of C Shares prior to the issue of any C Shares under the Placing Programme.

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