KEY RISKS DISCLAIMER

Investing in alternative funds or investments can be very rewarding, but it involves a number of risks and challenges. If you choose to invest in funds or investments made available by Ignite Growth LLP, you need to be aware of and accept these important considerations as well as those set out in the relevant information memorandum, prospectus or other specific documentation for such funds or investments. The below is not a comprehensive list of all risks associated with your potential investments nor or a complete description of the risks set out herein. You should not make any investments unless you have fully understood all risks in connection with your investments and have independently determined that such investments are appropriate for you.

Ignite Growth LLP does not provide tax or investment advice and any information provided should not be construed or relied on as such. Investors are advised to obtain appropriate investment and/or tax advice as necessary.

1. Loss of Capital

Investments made by Ignite Growth LLP may be risky, and it is possible that you could lose all of your invested capital. You should not invest more money in such an investment than you can afford to lose without altering your standard of living.

The investments that you make through Ignite Growth LLP are not protected by the UK Financial Services Compensation Scheme in the event that you receive back an amount lower than your initial invested capital.

Specific risks will be highlighted on the relevant page and within specific investment documentation.

2. Negative Performance

Various factors may negatively impact the performance of the investments. Past performance is not a reliable indicator of future performance. The value of your investment can go down as well as up. Actual fund and investment values or returns may be lower than estimated targets.

Specific risks will be highlighted on the relevant page and within specific investment documentation.

3. Lack of Liquidity

Almost all investments made or offered by Ignite Growth LLP will be highly illiquid. It is very unlikely that there will be a secondary market for your investment. This means that you are unlikely to be able to sell your investment until Ignite Growth LLP decides and is able to exit the investment. The typical hold period for these investments will be specific for each investment and stated in the specific investment documentation.

4. Rarity of Dividends/ Distributions

Distributions or dividends may be paid during the investment hold period depending on, among other things, the underlying performance of the investment and general market conditions. However, any return on your investment is unlikely to be realised until the underlying investment has been sold. The specific investment documentation will detail the strategy with regards to distributions of capital and/or dividends.

5. Diversification

If you choose to invest in alternative funds or investments, such investments should be made as part of a well-diversified portfolio. This means that you should invest only a relatively small portion of your investible capital in alternative funds or investments as an asset-class, and the majority of your investible capital should be invested in safer, more liquid assets.

In addition to the general investment risks posed by investing into alternative investment funds or investments, there are specific risks attached to private equity funds or investments as follows:

- **Investment duration** - your invested capital will be locked-in over a long period i.e. around 5-10 years.
- **No liquidity** - there is limited or no liquidity i.e. you will not be able to sell your investment as you would for an investment in stocks or bonds.
- **Underperformance of investments** - you could lose a substantial portion or all of your capital invested, including if the underlying company in which the fund invests in doesn't perform or goes bankrupt.
- **Use of leverage** - most private equity funds and investments make extensive use of debt at the underlying companies' level to enhance returns on the investments they make. The use of debt increases the risk of a company collapsing if it underperforms.
- **Fees -** your returns could be lower than the gross returns achieved by the fund or investment due to management fees and performance fees that are charged by fund managers.

The above list of risks is by no means fully exhaustive, but aims to cover certain key risks for an investor investing into a private equity fund or investment. Other risks to consider relate to, among other things, macro-economic factors affecting the sector and geography of the funds and investments, regulatory and tax changes, operational risks as well as potential conflicts of interest. Specific risks will be included in the documentation relating to your investment.