Downing

Downing Growth Estate Planning Service

Brochure

Important notice

If you are in any doubt about the content of this brochure, the terms & conditions, or any action that you should take, please seek advice from a financial adviser who is authorised under the Financial Services and Markets Act 2000 (FMSA) and specialises in advising on investments of this type.

This brochure constitutes a financial promotion in line with Section 21 of the FSMA. It is issued by Downing, 10 Lower Thames Street, London EC3R 6AF. Downing LLP is authorised and regulated by the Financial Conduct Authority in the United Kingdom (Firm Reference Number 545025).

Retail investors are only permitted to invest in the Downing Growth Estate Planning Service if they have been advised by a financial adviser.

Downing has taken all reasonable care to ensure that the facts in this brochure are true and accurate in all material respects and that there are no other material facts whose omission would make any statement of fact or opinion misleading. All statements of opinion, views expressed, and statements made regarding future events, represent Downing's assessment and interpretation of information available to it at the date of this brochure.

No representation is made, or assurances given, that such statements or views are correct, or that the objectives of the service will be achieved. Investors and their advisers must determine for themselves what reliance they should place on such statements, views or forecasts; Downing does not accept responsibility in respect of these.

Nothing in this brochure constitutes investment, tax, legal or other advice from Downing.

All information contained in this brochure has been sourced by Downing, unless otherwise stated.

Capital is at risk. The value of your investment may go down as well as up and you may not get back the full amount you invested. Tax rules and regulations depend on personal circumstances and are subject to change.

Information correct as at September 2026

For UK investors only, who have received financial advice

If you have any questions, please call us on 020 7416 7780.
Please note, telephone calls may be recorded for monitoring purposes.

Feedback and complaints

At Downing, we aim to deliver outstanding service across everything we do. While we strive for excellence, we know things can occasionally go wrong. If you're unhappy with any aspect of our service, please let us know - we'll acknowledge your concerns in writing and explain how we intend to put things right.

Our approach to handling complaints is shaped by the standards of the Financial Conduct Authority. We also work in line with the Financial Ombudsman Service, which offers an impartial route to resolving disputes between consumers and financial services firms.

If you'd like to raise a complaint, you can reach us at customer@downing.co.uk, call us on 020 7416 7780, or write to: Downing LLP, 10 Lower Thames Street, London EC3R 6AF.

Should we be unable to resolve your complaint to your satisfaction, you may refer the matter to the Financial Ombudsman Service. More information is available at financial-ombudsman.org.uk

FCA prescribed risk warning

Risk summary for non-readily realisable securities which are shares

Estimated reading time: 2 mins

Due to the potential for losses, the Financial Conduct Authority (FCA) considers this investment to be high risk.

What are the key risks?

1. You could lose all the money you invest

- If the business you invest in fails, you are likely to lose 100% of the money you invested. Most start-up businesses fail.

2. You are unlikely to be protected if something goes wrong

- Protection from the Financial Services Compensation Scheme (FSCS), in relation to claims against failed regulated firms, does not cover poor investment performance. Try the FSCS investment protection checker here: www.fscs.org.uk/check/investment-protection-checker
- Protection from the Financial Ombudsman Service (FOS) does not cover poor investment performance. If you have a complaint against an FCA-regulated firm, FOS may be able to consider it. Learn more about FOS protection here: www.financial-ombudsman.org.uk/consumers

3. You won't get your money back quickly

- Even if the business you invest in is successful, it may take several years to get your money back. You are unlikely to be able to sell your investment early.
- The most likely way to get your money back is if the business is bought by another business or lists its shares on an exchange such as the London Stock Exchange. These events are not common.
- If you are investing in a start-up business, you should not expect to get your money back through dividends. Start-up businesses rarely pay these.

4. Don't put all your eggs in one basket

- Putting all your money into a single business or type of investment for example, is risky. Spreading your money across different investments makes you less dependent on any one to do well.
- A good rule of thumb is not to invest more than 10% of your money in high-risk investments. www.fca.org.uk/investsmart/5-questions-ask-you-invest

5. The value of your investment can be reduced

- The percentage of the business that you own will decrease if the business issues more shares. This could mean that the value of your investment reduces, depending on how much the business grows. Most start-up businesses issue multiple rounds of shares.
- These new shares could have additional rights that your shares don't have, such as the right to receive a fixed dividend, which could further reduce your chances of getting a return on your investment.

If you are interested in learning more about how to protect yourself, visit the FCA's website here: www.fca.org.uk/investsmart

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About Downing

Downing has been helping advisers and investors achieve their financial goals through experienced investment management and dedicated client support since 1986.

What do we believe in?

At Downing, we consider successful investing to be more than just financial returns. We firmly believe that how we support our clients is just as important as how we invest their money. We aim to help our clients put their capital to work in assets and businesses that are both purposeful and positioned to create long-term value.

Investing where expertise genuinely matters, focusing on opportunities where specialist knowledge, active ownership and a long-term mindset can make a meaningful difference. By combining all these with our commitment to building lasting relationships, our goal is to deliver outcomes that matter for advisers, investors and their beneficiaries.

Downing in numbers[1]

Total assets in estate planning solutions	Managing estate planning solutions since	5 offices, employing
c. £1.7bn	**2007**	**c.300**

[1] As at 31 March 2026

Certified B Corporation

UN Global Compact

UK Stewardship Code

PRI Principles for Responsible Investment

"At Downing, our vision is to be a leader in our chosen markets. We aim to deliver steady attractive returns for investors with a focus on investing in assets and businesses that can contribute to building a better future."

Tony McGing, Partner and Chief Executive Officer

Understanding Inheritance Tax

Will your estate have to pay Inheritance Tax?

The value of your estate that exceeds the below thresholds could be subject to Inheritance Tax (IHT) at a rate of 40%. IHT applies to property, savings, investments, and any other assets after deducting debts, such as your mortgage. Any part of your estate that's left to your spouse or civil partner is exempt from IHT if they permanently reside in the UK.

The **Nil-Rate Band (NRB) is £325,000** per person. This is the amount of value in your estate that can be passed on without paying IHT. Spouses and civil partners can transfer part or all of their unused NRB to each other.

The **Residence Nil-Rate Band (RNRB) is £175,000.** If you own a home, ownership can transfer to a direct descendant after your death. There are conditions for this threshold to be available.

Do you know about Business Relief?

IHT relief is available after just two years by investing in companies that qualify for Business Relief (BR), formerly known as Business Property Relief (BPR). This tax relief was established in 1976 to ensure small businesses wouldn't have to be sold to pay an IHT bill when an owner died. The tax relief has since been extended to include those who are a minority shareholder within the business. This includes shares in unlisted companies that are not traded on a public stock exchange and shares in companies listed on the AIM market.

The level of IHT relief you benefit from will depend on the type of shares you own. For you to benefit from BR, you must have held the shares for at least two years at the date of your death. You can access BR-qualifying companies by investing in an estate planning solution such as the Downing Growth Estate Planning Service.

Shares in unlisted businesses, such as those accessed through the Downing Growth Estate Planning Service, will benefit from 100% IHT relief up to £2.5 million and thereafter, will benefit from 50% IHT relief.

Why consider an Inheritance Tax solution?

We understand that wanting to pass on as much of your wealth as possible to your loved ones leaves you with several options to consider.

Investing in an estate planning service can have a role to play in a wide range of circumstances. Perhaps you have recently sold a trading business, or have a lasting power of attorney in place, or you simply want flexibility and control over your estate.

What are the benefits of choosing a Business Relief solution?

Traditional estate planning solutions can be inflexible or involve a lengthy process. For example, if you give away your assets to family and friends during your lifetime, these gifts can take seven years before they become fully exempt from IHT.

BR can be a useful tool in your IHT planning toolkit and could:

Offer you eligibility for **IHT relief after just two years** (as long as shares are held at death)

Allow you to **retain access and control** over your investment (subject to liquidity)

Enable you to support and **invest in UK businesses**

Find out more about BR on the HM Revenue & Customs (HMRC) website at hmrc.gov.uk
Find the relevant page by entering 'Business Relief' in the search box.

The Downing Growth Estate Planning Service

We aim to provide IHT relief after two years and target returns of 5-7% each year

The Downing Growth Estate Planning Service makes investments that we believe will qualify for BR and these shares can be left to your beneficiaries with the benefit of IHT relief (provided they are held for at least two years and at the date of death).

Our strategy centres on UK businesses with the potential to generate returns of 5-7% per year. We focus on acquiring asset-backed operating businesses that are supported by tangible assets or income streams, which provide added downside protection.

The Downing Growth Estate Planning Service portfolio focuses on needs-based businesses that are typically less affected by economic volatility. We select resilient sectors that have long term underlying demand drivers (such as healthcare, housing and education).

When it comes to BR-qualifying investments, experience and expertise can make all the difference. At Downing, our expert teams strategically manage portfolios to help you pass on more to your loved ones.

Why choose the Downing Growth Estate Planning Service?

A simple, flexible IHT solution focused on growth while benefitting from asset-backed investments

The benefits of investing

Speed of IHT relief

Your investment should benefit from IHT relief after two years (as long as you hold the shares at the time of your death).

Growth-focused

The Service targets returns of 5-7% every year (after Downing ongoing fees).

Access to your investment

You can request to sell shares anytime or set up regular withdrawals. We aim to provide access every two weeks, subject to liquidity.

Wealth Guard protection

Your initial net investment is automatically protected from a fall in value of up to 20% (when paying out upon exit following death). This is at no extra cost and you're covered up to a maximum payout of £150,000.

Wealth Guard is guaranteed to cover you for the first two years, thereafter it is subject to annual renewal. Cover ceases when you reach the age of 90. See pages 20-21 for more information.

The risks of investing

Tax reliefs are not guaranteed

Tax reliefs are subject to change, and only apply if you hold your shares for a minimum of two years and at death. There is no guarantee that the companies we invest in will remain BR-qualifying.

Capital at risk

The value of any investment can fall as well as rise and investors may not get back the full amount they put in.

Performance

Past performance is not a reliable indicator of future results.

Liquidity

Although we will seek to provide liquidity opportunities every two weeks, there could be a delay in returning cash in the event of significant demand for withdrawals or distributions.

The Downing Growth Estate Planning Service in action

How much could your beneficiaries save?

1

Meet Daisy, 65, who is considering solutions to **minimise the tax bill** her beneficiaries may face. Daisy has a substantial estate, including a **£200,000** share portfolio.

2

Daisy is seeking significant, inflation-beating **growth on her investment,** as well as mitigation of her IHT bill.

3

Daisy consults with her financial adviser. She learns that her available allowances for passing on her estate tax-free will be used up by her other assets. As a result, her beneficiaries could be left paying **40%** IHT on the value of her share portfolio – a bill of **£80,000.**

4

Daisy learns that by allocating the funds from her share portfolio into the **Downing Growth Estate Planning Service** she could still benefit from investment growth while also achieving potential tax savings. Her adviser also explains how an estate planning solution such as this carries higher associated risks compared to a standard stocks and shares portfolio.

5

After the initial fee, the amount invested will be **£196,000.** The Downing Growth Estate Planning Service targets annual capital growth of **5–7%.** If the investment grows by **6% per annum,** it would be worth **£220,225** after two years.

6

After two years, Daisy's investment is expected to qualify for BR. Provided Daisy still holds the investment at the time of her death, it can be passed on to her beneficiaries **free from IHT.**

Based on the illustrative assumptions below, Daisy's beneficiaries could save nearly £90,000 after just two years

	Daisy keeps her share portfolio	Daisy invests in the Downing Growth Estate Planning Service
Gross investment	£200,000	£200,000
2% initial charge (excluding adviser charges)	N/A	-£4,000
Net investment subscribed for shares	£200,000	£196,000
Value of investment after two years assuming growth of 6% each year	£224,720	£220,225
IHT payable on death (40%)	-£89,888	N/A
Cash value to beneficiaries	**£134,832**	**£220,225**

Please note: The above is for illustrative purposes only and should not be relied upon. The illustration assumes death at two years and does not include adviser charges. The service targets a 5-7% return each year, but there is no guarantee that this will be achieved. Tax rules and regulations may change in the future and there is no guarantee that the underlying businesses will maintain their BR qualifying status. For personalised advice, consult with a financial adviser.

Our investment approach

We seek businesses that are capable of generating long-term, predictable returns and are supported by tangible assets or reliable income streams

The Downing Growth Estate Planning Service provides you with a diversified portfolio. Example sectors include care homes and special educational needs schools, early years education and lending to property developers. These businesses sit at the heart of the UK's social infrastructure, providing essential services in healthcare, education and housing.

For the vast majority of businesses, your investment is secured against tangible assets, such as land or buildings, or an income stream, which may provide a degree of downside protection if anything were to go wrong.

Specialist care - supported living
34 supported living homes

Early years education
8 nurseries

Property development
22 loans

Elderly residential care
16 care homes

Specialist care - residential
12 specialist care homes

Special Educational Needs and Disabilities (SEND) schools
11 schools

Funeral care
8 sites

The above is illustrative of the Downing Growth Estate Planning Service proposed seed portfolio and is not guaranteed.

Diversification at multiple levels

Our strategy emphasises diversification to mitigate risk, provide resilience in different economic conditions and enhance potential returns

Sector

Investing across various sectors, including but not restricted to: healthcare, education, and property development.

Geography

Spanning businesses across different regions of the UK.

Revenue streams

A portfolio of businesses that generate income from a variety of sources, including government funding, local authorities and private payments.

Management teams

We partner with a wide range of experienced operators and developers, each with a strong track record and local or sector-specific expertise.

Demographics

We focus on meeting the needs of different groups in society, whose demand is often driven by separate and unrelated factors.

Our asset-backed experience

Downing's team brings extensive expertise, with around 175 years of collective investment experience

Although the Downing Growth Estate Planning Service is our latest offering, your investment will be co-invested into an existing portfolio that is already actively managed by Downing. This allows us to use the actual performance of the underlying businesses within the proposed portfolio to assess what the returns would have been, had the portfolio been in place historically.

	2025	2024	2023	2022	2021
Simulated annual returns, after all Downing ongoing fees	8.5%	7.7%	7.4%	6.6%	6.3%

Simulated performance is not a reliable indicator of future performance.

The information presented is for illustrative purposes only. The performance shown reflects the performance of the businesses that met the qualification criteria for the Downing Growth Estate Planning Service and are therefore deemed most likely to have been included in the portfolio if it had existed at the time. It is based on the actual performance of those businesses during the period they were managed by Downing under a different solution. There is no guarantee that these businesses will be held within the Downing Growth Estate Planning Service. Actual fees applicable to the Downing Growth Estate Planning Service are included to show their impact on returns. The information provided is as at March each year.

For 40 years Downing has been investing in businesses on behalf of investors.

Managing your investment

Focus on asset-backed businesses in needs-based sectors

Partnering with experienced management teams, the team works to scale businesses and address underserved markets. We aim to provide strategic insights and commercial support alongside access to a broad network of expert industry contacts.

Our investments to date span children's day nurseries and specialist education schools through to specialist care, elderly residential care homes, retirement living and funeral care.

Our focus is on needs-based sectors that are less correlated to economic cycles, where we can apply our sector knowledge to build and scale businesses that form part of our social infrastructure. Through the delivery of vital services, we look to create long-term value for local communities while providing an attractive rate of return to our investors.

Beaumont House, Nursery

An award-winning investment team of 17 people, specialising in the healthcare and education sectors

EducationInvestor Awards FINALIST 2025

HealthInvestor Awards FINALIST 2025

HealthInvestor Awards 2024 Finalist

LaingBuisson Awards 2024

Managing your investment (continued)

Lending to property developers

An established lender in the property sector, with an experienced team of 15 dedicated professionals who have been providing senior secured loans since 2007.

Before providing financing the team review all loans through a "safety-first" lens, and focus on providing these loans to experienced developers.

Cristine Homes

"At Downing, we understand the importance of safeguarding your money at every stage of the investment journey – from partnering with trusted developers to maintaining rigorous oversight. My focus is on delivering long-term positive outcomes to our investors."

Gemma Squirrell, Head of Portfolio and Transaction Management

Case study

Asset-backed strategy

Specialist educational needs schools

Downing partnered with an experienced management team to establish **Spaghetti Bridge**, a specialist educational platform in the UK.

Spaghetti Bridge supports children and young adults with a range of special educational needs and disabilities (SEND), helping those who face significant barriers to learning, including associated challenging behaviours.

Why we invested

Downing identified the specialist education sector as an attractive investment opportunity, driven by growing demand for SEND provision and a shortage of high-quality specialist places across the UK.

Key facts

Initial acquisition: 2020

Special educational needs schools: 13

School places: 992

Silver Bridge School – Spaghetti Bridge

As at 30 June 2026

Case study (continued)

An example asset-backed business in the specialist education sector

How does Downing add value?

This example shows what is at the heart of Downing's investment ethos – a commitment to the growth and development of UK-based businesses providing social good in underserved markets. We believe you don't need to sacrifice investment performance to achieve meaningful societal benefits.

During the partnership, Downing has demonstrated a number of value-add initiatives, including:

- The ability to identify and partner with an excellent management team by using our extensive proprietary network of contacts
- Putting in place a bespoke funding solution that creates alignment with management and provides capital for growth opportunities
- Providing access to our network of brokers to help identify and secure growth opportunities
- Providing access to Downing's in-house resources, including our construction director, legal team and investment team
- Helping to determine the strategic direction of the group, including setting out the growth strategy and supporting the growth of the central team
- Quick decision making that helped the group capitalise on opportunities for growth

The future

Through this business, we are proud to support some of the most vulnerable children in our society by providing access to specialist education and care. Downing intends to continue supporting the businesses growth – both organically and through mergers and acquisitions – with the aim of establishing it as a leading national provider of specialist education.

Wealth Guard

Unique cover designed to provide extra security

Investing comes with risk. We can't know for sure what the future will bring so it's important to plan for what may happen. While we manage the Downing Growth Estate Planning Service in a way that seeks to mitigate risk, it can't be fully eliminated.

At no extra cost to you, provided you're under 90 at time of death, our Wealth Guard covers a fall in value of up to 20% of your net initial investment (i.e. the amount invested after charges) when paying out upon exit following death.

Please note this is a summary only and investors should read the full policy and general exclusions which can be found in the Terms & Conditions.

Key features of Downing's Wealth Guard:

Available at no extra cost and guaranteed for the first two years you are invested, after which it will be reviewed annually by the insurer.

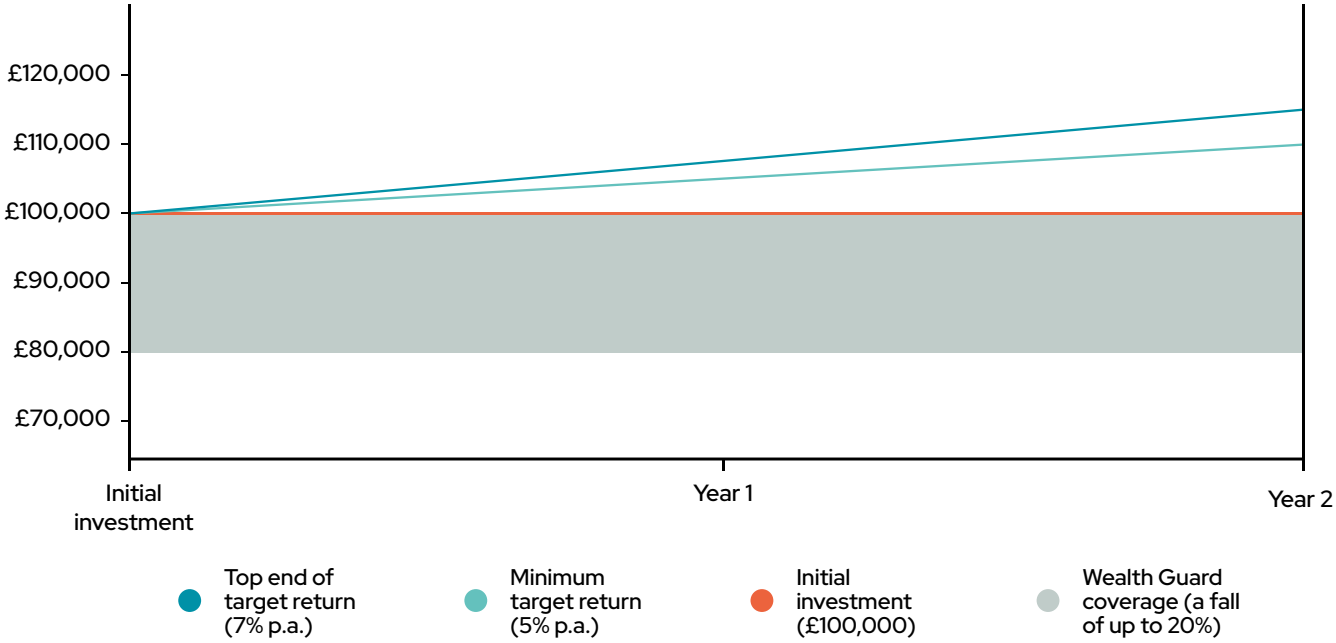
You are covered up to £750,000 which means there is a maximum payout of £150,000. Joint applications are treated separately for insurance purposes.

Wealth Guard is provided through a group insurance policy with an A-rated insurer and has been in place since 2011.

Your investment in the Downing Growth Estate Planning Service is covered by Wealth Guard until you reach the age of 90.

An example scenario

How could Wealth Guard work for you?



Meet Mrs Thomson

Mrs Thomson invests £100,000 into the Downing Growth Estate Planning Service (after Downing and adviser initial fees).

After two years of holding the investment, Mrs Thomson passes away. Her beneficiaries look to sell her investment which is now valued at £85,000.

Because Mrs Thomson's investment in the Downing Growth Estate Planning Service benefited from Wealth Guard, the insurers paid out £15,000, which is the drop in value from the initial investment.

As Mrs Thomson held her investment for at least two years and when she died, there was no IHT payable and her beneficiaries inherited £100,000.

Initial net subscription	£100,000
Value of portfolio at exit	£85,000
Wealth Guard payout	£15,000
IHT payable	£0
Amount left to the beneficiary(ies)	£100,000

Please note: The above is for illustrative purposes only, is not indicative of returns and should not be relied upon. Wealth Guard cover is not guaranteed to stay in place after two years and is subject to the age of the investor.

Downing Insured
an optional feature

Downing Insured provides optional life cover designed to mitigate your potential IHT liability during the first two years of investment - bridging the gap before BR qualification may apply. Should you pass away before the two-year period is complete, Downing Insured ensures your investment is not left exposed to IHT.

The policy covers 20% or 40% of your original gross investment upon death, subject to the conditions and an additional cost. Please see the Downing Insured booklet for details on the policy, costs, exclusions and risks.

Our commitment

We pride ourselves on being a dedicated and experienced investment manager

We're committed to actively managing your investment. But our commitment goes beyond just picking investments and we aim to generate long-term value creation for our investors.

1

Experienced investment team

Our investment team brings together a broad range of expertise, overseeing deal sourcing, portfolio construction, and asset strategy. Their deep sector knowledge and networks help identify opportunities and create value across our investments.

2

Dedicated portfolio team

Our in-house team manages and monitors every asset, focusing on oversight and operational excellence. With experts in areas including accounting, portfolio management, legal, and sustainability.

3

External oversight and governance

Each portfolio company within the Service has its own board, led by independent experts. Their role is to protect investor interests, ensuring decisions are made with integrity, transparency, and strong governance at every level.

4

Highly rated customer team

Our customer service team is here to support you throughout your journey with Downing. They are a phone call away should you have any questions about your investment with Downing.

Fees and charges

We aim to be as transparent as possible with the costs associated with investing in the Downing Growth Estate Planning Service

It's important you understand these fees fully - if you do not, please consult your financial adviser before investing.

Charges for managing your investment		
Initial fee *Taken from your subscription and is the cost of setting up your investment*	2% *(Advised investor charges)*	4% *(Direct or execution-only investor charges)*
Annual management charge *Performance dependent and is only taken once the company has returned 5% in the year*	Up to 0.5% + VAT per annum of the value of the underlying portfolio company	

Charges paid for management of the underlying portfolio company(ies)	
Underlying service charge *Cost of running and managing the portfolio companies (e.g. accounting, administration and other services)*	2% + VAT per annum of the value of the underlying portfolio company

Other costs

Downing may receive arrangement fees for arranging financing and monitoring fees from the businesses held within the portfolio company(ies). This fee is for actively working with the underlying businesses, sitting on the company boards and providing continued support and guidance. This is not a fixed charge and will be included in your annual cost and charges statement where applicable.

Annual management charge explained

To align our interests with our investors, we only take our annual management charge after we have met our annual target return. If we have not met the target return for that year the charge is lost and cannot be recouped in following years.

How we support you

Putting you and your beneficiaries first

Our dedicated customer service team, led by Jane, is here to help you. Whatever decision you make, we are with you at every step, helping things to go as smoothly as possible. Please don't hesitate to call our team on **020 7416 7780** or email us at: **customer@downing.co.uk**

Jane Hart, Customer Services Director

1. Before investing it is important to understand your personal Inheritance Tax situation and what type of planning would be best for you. When considering investing please read all relevant literature, paying close attention to the risks. If you have any questions, please contact your financial adviser or our customer service team on the number above.

2. Should you decide to invest, we can provide the relevant application forms to complete. A financial adviser will be able to help with filling these in.

3. Once we have received your application, we will send you an acknowledgement letter. Once your shares have been invested, we will issue a contract note to confirm investment (we invest money weekly into this Service).

4. If you have selected the optional Downing Insured policy, we will send you an insurance certificate.

5. If you have selected the optional Downing Insured policy, we will ensure your first-year premium is paid to the insurers. The second-year premium will be paid on the one-year anniversary of your investment.

6. You can access your portfolio at any time to add or withdraw, subject to liquidity.

7. We will provide you with online access to your portfolio and with a periodic statement every quarter in respect of each portfolio. The report will comprise the cost, current value and dividends of all holdings within a portfolio as at the last business day of the period in question. The performance of the investments will be measured against a stock market index.

8. We will provide an annual tax pack detailing capital gains and income after the end of each tax year.

Our in-house bereavement team are here to help

We have a dedicated team that is here to help you and your beneficiaries. If you pass away while holding an investment, the team can talk your loved ones through the options they have available. You can contact the team at the number or email address above.

Sunil Patel, Bereavement Team

Key risks

Here are some of the risks that you should consider before investing

We always recommend that you seek specialist independent tax and financial advice before investing. Downing does not offer tax or investment advice.

Risk to your capital

The value of your capital may go down as well as up and you may not get back the full amount invested.

Tax reliefs are not guaranteed

The rates of tax, tax benefits and tax allowances in this brochure are based on current legislation and HMRC practice. They are not guaranteed, are subject to change and depend on personal circumstances. Any changes to the sectors that qualify as IHT trades may have a material adverse effect on the value of the shares or the ability of the service to achieve its objectives. We cannot guarantee that sufficient investments in IHT qualifying businesses will be made within the expected timetable, or at all. IHT qualifying businesses may subsequently cease to qualify for IHT relief, in which case IHT relief could be delayed or lost.

Investments are long-term and high-risk

You must hold your investment for at least two years and at death to benefit from IHT relief. Although you can request a withdrawal from your portfolio, this may be delayed because investments made through the service will be in unquoted companies, whose shares are less liquid than those of listed companies. Such investments are also considered to be higher risk than securities listed on the London Stock Exchange.

You cannot rely on past performance and target returns are not guaranteed

Please remember that past performance is not a guide to future performance and there is no guarantee that the Service's target return objectives will be achieved.

Liquidity

Although we seek to provide liquidity opportunities every two weeks, there could be a delay in returning cash in the event of significant demand for withdrawals or distributions. Investors may, therefore, not receive cash for a period of 12 months or more. It is unlikely that there will be an external market for the shares.

Conflicts of interest

The portfolio company(ies) will co-invest alongside other funds managed or advised by Downing. There is a chance that the interests of one group of investors will be in conflict with the interests of another group, or with the interests of Downing. In the event of a conflict of interest, Downing's investment committee and conflicts committee (and the portfolio company's majority external Board) will work to ensure that this is resolved fairly and in accordance with Downing's conflicts policy.

Key risks (continued)

Here are some of the risks that you should consider before investing

Use of debt

Where the portfolio company(ies) and/or their underlying businesses take on third party, prior ranking debt and then suffer from underperformance, their underlying net asset valuation may be impacted to a greater level than if no debt had been taken on.

Corporate sales activity

A reduction in the demand and/or price expectations for corporate sales of businesses similar to those underlying businesses of the portfolio company(ies), may impact on their ability to exit from an underlying business and/or achieve their target value expectations.

Global events

Where events occur that have a far-reaching impact on the operations of the portfolio company(ies) and their underlying businesses, their value and that of the underlying businesses may be reduced. Examples of such macroeconomic events include (but are not limited to) the significant and broad economic impacts caused by a global pandemic, cyclical falls in the values in the residential property market, reductions in the availability of credit/ investment from financial institutions, sustained falls in major listed stock markets, adverse movements in interest rates and/or currency rates and the failure of political institutions including government.

Concentration

The portfolio company(ies) will typically hold interests in a number of underlying businesses. These businesses may vary by sector, value, scale and stage. The relative concentration of businesses held by the portfolio company(ies) across these variables will move over time, as existing underlying businesses are sold and new businesses are added by the portfolio company(ies). The portfolio company(ies) may have exposure to high levels of concentration within one or more such variables, for example by sector, which in turn may impact the value of the investors' shares in the event of an adverse development within that variable.

Geography

The majority of underlying businesses that the portfolio company(ies) will hold interests in, will be in the UK. Adverse changes in the business environment that the non-UK underlying businesses operate in, may impact on the value of the portfolio company(ies) holdings. These adverse changes could relate to developments in the tax framework, the regulatory environment, the legal system, the political infrastructure, domestic currency controls, the financial services sector, local supply and demand dynamics, and the currency exchange rate.

For further details of the risks associated with investing, please see pages 8-11 of the Terms & Conditions.

Please read

The information in this brochure is based upon current taxation, other legislation, and HMRC practice. Any changes in the legislation or HMRC practice may affect the value of an investment.

Investments that matter

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