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MiFID II retail investors, professional investors and ECPs target market – *Manufacturer target market (MIFID II product governance) is eligible counterparties and professional clients (all distribution channels) and also retail clients (all distribution channels).*

23 May 2018

LAUNCH OF RETAIL CHARITY BOND

BELONG LIMITED RETAIL CHARITY BOND 4.5% DUE 2026

Retail Charity Bonds PLC (the "Issuer") today announces the launch of the Belong Limited Retail Charity Bond offering 4.5%, due 2026 (the "Bonds").

Belong Limited (the "Charity") was established in 1991 and its objects are to carry on any charitable purpose for the benefit of the community and, in particular, to provide accommodation, care, support and associated facilities, amenities and services to those who need them by reason of age, illness, disability (including physical, mental and/or learning disability), poverty or social and economic circumstances.

The Charity aims to provide high quality, person-centred care, accommodation and ancillary services to older people. The vision of the Charity is to create village communities enabling older people to live the lives they choose and, in particular, to enable people living with dementia to retain choice and independence over as many areas of their lives as possible. The Charity has won awards for its contribution to the care industry, including several awards at the British Care Awards.

In 2007, the Charity opened its first Belong village in Macclesfield, following years of research and development geared towards achieving the best outcomes for the rapidly growing number of people in the UK living with dementia, which is set to rise to over one million by 2025 and two million by 2051, according to Alzheimer's Society statistics.

The Charity currently operates seven Belong villages, with the seventh having been opened in Newcastle-under-Lyme on 9 April 2018, providing a home for over 530 residents in the North West of England. Two more sites have been acquired, with planning permissions already secured, and development is expected to start on these in 2018.

The Bonds will be issued by the Issuer, a special purpose issuing vehicle created and managed by Allia, an independent not for profit with a social mission, dedicated to helping impact organisations and initiatives grow. The vehicle connects charitable organisations seeking unsecured loan finance with investors looking for fixed income bonds listed on the London Stock Exchange. The funds raised will be loaned, via a loan agreement, to Belong Limited and will be used to further its charitable objects and to develop further Belong villages.

The Bonds are available to wholesale and retail investors and will pay a fixed rate of interest of 4.5% per annum until 20 June 2026, payable twice yearly on 20 June and 20 December of each year, with the first coupon payment being made on 20 December 2018. The Bonds are expected to mature on 20 June 2026 with a final legal maturity on 20 June 2028.

At any time during the life of the Bonds, investors are permitted to sell the Bonds (within market hours and in normal market conditions) on the open market through their stockbroker.

The “Authorised Offerors” are:

- AJ Bell Securities Limited
- Equiniti Financial Services Limited
- iDealing Limited
- Redmayne-Bentley LLP

Peel Hunt is acting as Lead Manager (the "Lead Manager") on the issue.

The Bonds have a minimum initial subscription amount of £500 and are available in multiples of £100 thereafter.

The offer period is expected to close at 12pm on 13 June 2018. The Issuer retains the right to close the offer early, in conjunction with the Lead Manager.

It is expected that the Bonds will be listed on the Official List of the Financial Conduct Authority and admitted to trading on the London Stock Exchange’s regulated market and through the electronic Order book for Retail Bonds on or around 21 June 2018.

This is the eighth Retail Charity Bond to be launched by the Issuer, following successful previous issues for Golden Lane Housing, Hightown Housing Association, Charities Aid Foundation, Greensleeves Homes Trust and Dolphin Living. In total the bonds have raised more than £150 million since 2014.

Tracey Stakes, CEO of Belong, commented:

“Belong villages were established as an alternative to the conventional care model, and led by an individual’s needs rather than an institution’s requirements. This pioneering approach to later-life care, promoting wellbeing through homely, smaller group living arrangements, coupled with the emphasis placed on integration with the local community, has proved a success. As demand for our offering has grown, we continue to look at ways to expand our portfolio and a successful bond issuance will allow us to develop further villages across the UK.”

Phil Caroe, Director of Social Finance, Allia, said:

“The Retail Charity Bonds platform has a proven track record in helping charitable borrowers to access finance from ethically minded investors in order to grow and deliver greater impact. We are very excited to be working with Belong, a charity which is offering a leading service in the provision of support for older people.”

John Tattersall, Chair of Retail Charity Bonds PLC, added:

"This eighth issue shows that the uniformity of our structuring and on-lending process continues to be as efficient as I and my fellow volunteer directors had anticipated."

For further information about Belong, please go to: <https://www.belong.org.uk/>

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About Belong

The Belong villages provide dementia and nursing care, as well as Apartments for independent living, within a community village setting. They provide a full spectrum of care, from respite care to end of life care, enabling the Charity to support older people as their needs change.

Each Belong village offers:

- (a) "Households" for residents who need 24-hour support (the "Households"): typically, Household residents are frail, older people aged 85 or older and around two thirds of Household customers have a diagnosis of dementia.
- (b) Independent living Apartments (the "Apartments"): typically, Apartment residents are in their early 80s and move to a Belong village to be part of a more vibrant community at a time when they or their partner may need more support.
- (c) Domiciliary care services and specialist day care for those needing care and support in their own home known as "Belong at Home": the Charity has a registered home care service to provide support in the wider community and this has often proved a feeder route for people experiencing support from the Charity prior to moving into a Belong village.
- (d) Specialist day care, known as "Experience Days": this service is open to people living in the wider community, enabling them to enjoy a day taking advantage of Belong village facilities and activities in a supported and facilitated way, often in order to give carers a break.
- (e) Exercise services: available both to residents and members of the public that have been referred to the Charity or are connected to the Charity in some way, each Belong village gym is equipped with state-of-the-art equipment and technology and the Charity's fitness instructors are trained to develop specialist, personalised programmes which have been independently evaluated and found to improve mobility, balance, stamina and strength according to people's needs.
- (f) Purpose-built buildings and grounds for access to communal living.
- (g) A programme of events and activities which are attended by people from the wider community as well as Belong village residents.

Taken together, the Charity's services offer a continuum of care and mean that it is able to support people as their needs change, offering a 'home for life'.

About Retail Charity Bonds and Allia

Retail Charity Bonds is a platform that issues retail eligible bonds for UK charities. It was created by Allia, a social investment specialist that has been creating bonds for social benefit since its launch in 1999.

The Issuer, Retail Charity Bonds PLC, is a public limited company; it was established as a special purpose issuing vehicle but is not itself a charity. It is governed by an independent and experienced board of directors from the financial and charity sectors who are acting on a pro-bono basis. The administration of the Issuer and the origination of charitable borrowers is carried out by Allia Impact Finance Ltd, a subsidiary of Allia Ltd.

For more information please see www.retailcharitybonds.co.uk

About Peel Hunt

Peel Hunt is an independent corporate broking/advisory house that has highly rated, sector-aligned Research, Sales and Corporate teams, with a current retained corporate client list of over 125 listed companies and a trading platform that makes markets in c.3,500 equity and fixed income products.

Peel Hunt ranked 1st in the 2017 Thomson Reuters Extel Survey of UK Small & Mid Cap Brokerage Firms with UK institutions, Wealth Managers and Continental European Institutions, being named top research house in its category, after achieving more first or second ranked sector teams than any other broker.

Peel Hunt's Debt Capital Markets is part of a collaboration with debt advisory, risk and hedging specialists JC Rathbone Associates.

For more information please see <http://www.peelhunt.com>

About the Bonds

- The Bonds may not be suitable for all investors. Investors should ensure they fully understand the risks and seek independent financial advice.
- Investors should note that the market price of the Bonds can rise and fall during the life of the investment and the price of the Bonds could fall below the issue price of £100.
- In the event that Retail Charity Bonds PLC or Belong Limited becomes insolvent or goes out of business, investors may lose some or all of their investment.

This announcement is an advertisement and is not a prospectus for the purposes of EU Directive 2003/71/EC, as amended, and/or Part VI of the Financial Services and Markets Act 2000 (the "FSMA"). A prospectus dated [date] (the "Prospectus") has been prepared and made available to the public as required by Part VI of the FSMA. Investors should not subscribe for any bonds referred to in this announcement except on the basis of information in the Prospectus. Full information on Retail Charity Bonds PLC and the offer of the bonds is only available on the basis of the combination of the Prospectus and this announcement which have been published by Retail Charity Bonds PLC on the Regulatory News Service operated by the London Stock Exchange.

The restriction on financial promotions contained in section 21(1) of the Financial Services and Markets Act 2000 does not apply to this announcement by virtue of article 70(1A) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended.

The offering and the distribution of this announcement and other information in connection with the offer in certain jurisdictions may be restricted by law and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase any Bonds. Any purchase of Bonds pursuant to the offer should only be made on the basis of the information contained in the prospectus dated 23 May 2018 (the "**Prospectus**"). The

Prospectus is available on the website of Retail Charity Bonds PLC and Belong Limited, as above, and the website of the London Stock Exchange plc (www.londonstockexchange.com/newissues).

The Bonds have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and, subject to certain exceptions, may not be offered or sold within the United States or to United States persons. The Bonds are being offered and sold outside of the United States in reliance on Regulation S of the Securities Act