**IN THE GRAND COURT OF THE CAYMAN ISLANDS**

**FINANCIAL SERVICES DIVISION**

**CAUSE NO: FSD 267 OF 2026 (      )**

**IN THE MATTER OF SECTION 131 OF THE COMPANIES ACT (2026 REVISION)**

**AND IN THE MATTER OF PRESTIGE ALTERNATIVE FINANCE FUND LIMITED (IN VOLUNTARY LIQUIDATION)**

# SUPERVISION PETITION

**TO: THE GRAND COURT OF THE CAYMAN ISLANDS**

**THE HUMBLE PETITION** of Timothy Womack and John Henry of KPMG LLP, P.O. Box 493, SIX Cricket Square, 282 Shedden Road, George Town, Grand Cayman KY1-1106, Cayman Islands (the "**Petitioners**"), shows that:

## Introduction

1. Prestige Alternative Finance Fund Limited (in Voluntary Liquidation) (the "**Company**") was incorporated as an exempted company with limited liability on 2 December 2008 with registration number 220502.

2. The Company's registered office is at KPMG Corporate Services (Cayman) Ltd., P.O. Box 493, SIX Cricket Square, 282 Shedden Road, George Town, Grand Cayman KY1-1106, Cayman Islands.

3. The objects for which the Company was established are unrestricted.

4. The Company is registered as a mutual fund with the Cayman Islands Monetary Authority ("**CIMA**") with reference number 16040 and is presently in active status (i.e. "ACT") with CIMA.

5. The Amended and Restated Memorandum and Articles of Association (the "**Articles**") provided to the Petitioners by the Company were adopted by special resolution dated 4 January 2018.

6. The authorised share capital of the Company is the aggregate of USD 17,000, EUR 14,000, GBP 8,000, SEK 14,000, CHF 14,000, AUD 14,000 and JPY 2,000,000, with the USD 17,000 divided into 100 Voting Shares of USD 1.00 each and 1,690,000 USD Redeemable Non-Voting Participating Shares of USD 0.01 each, the EUR 14,000 divided into 1,400,000 EUR Redeemable Non-Voting Participating Shares of EUR 0.01 each, the GBP 8,000 divided into 800,000 GBP Redeemable Non-Voting Participating Shares of GBP 0.01 each, the SEK 14,000 divided into 1,400,000 SEK Redeemable Non-Voting Participating Shares of SEK 0.01 each, the CHF 14,000 divided into 1,400,000 CHF Redeemable Non-Voting Participating Shares of CHF 0.01 each, the AUD 14,000 divided into 1,400,000 AUD Redeemable Non-Voting Participating Shares of AUD 0.01 each and the JPY 2,000,000 divided into 2,000,000 JPY Redeemable Non-Voting Participating Shares of JPY 1.00 each.

7. PFM Limited, formerly Prestige Fund Management Limited, is the sole voting shareholder of the Company.

**Commencement of the Voluntary Liquidation**

8. Section 116(c) of the Companies Act (2026 Revision) (the "**Companies Act**") provides as follows:

"*A company incorporated and registered under this Act or an existing company may be wound up voluntarily —*

*[…]*

*(c) if the company resolves by special resolution that it be wound up voluntarily;*".

9. *A* "*Special Resolution*" is defined in Article 1 of the Articles as *"… a resolution passed in accordance with Section 60 of the Companies [Act], being a resolution:*

> *a) passed by a majority of not less than two-thirds of such Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a Special Resolution has been duly given and where a poll is taken regard shall be had in computing such a majority to the number of votes to which each Member is entitled; or*
>
> *b) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments signed in the aggregate by all of the Members and the effective date of the Special Resolution so adopted shall be the date on which the instrument or the last of such instruments if more than one, is executed;*"

10. Pursuant to Article 79 of the Articles, a written resolution signed by all shareholders for the time being entitled to receive notice of and to attend and vote at general meetings (or, being corporations, by their duly authorised representatives) is valid and effective as if the same had been passed at a general meeting of the Company duly convened and held.

11. On 1 December 2025, Prestige Funds Management Limited (now PFM Limited):

    (a) was the sole registered voting shareholder of the Company;

    (b) resolved by written special resolution (*inter alia*) that:

        (i) the Company be wound up voluntarily; and

(ii) John Henry and Timothy Womack of KPMG LLP of P.O. Box 493, SIX Cricket Square, 282 Shedden Road, George Town, Grand Cayman KY1-1106 be appointed as joint voluntary liquidators of the Company (the "**JVLs**"),

such resolution being passed in accordance with Article 79 of the Articles and section 116(c) of the Companies Act.

12. The JVLs have filed the notice of winding up and their consents to act as joint voluntary liquidators of the Company with the Registrar of Companies (the "**ROC**") pursuant to sections 123(1)(a) and 123(1)(b) of the Companies Act and Order 13, rules 2(1)(a) and 2(1)(b) of the Companies Winding Up Rules (2023 Consolidation) (the "**CWR**"). Accordingly, the Petitioners' appointment took effect from 1 December 2025 pursuant to section 119(3) of the Companies Act and Order 13, rule 3(2) of the CWR.

13. In the circumstances:

(a) the sole shareholder of the Company duly resolved by special resolution that the Company be wound up voluntarily, pursuant to section 116(c) of the Companies Act; and

(b) the voluntary winding up of the Company is deemed to have commenced on 1 December 2025, pursuant to section 117(1)(a) of the Companies Act.

14. At the commencement of the voluntary liquidation of the Company, the directors of the Company were Iain Oliver Fulton, Ebony Darcy Myles-Berry and Casey McDonald.

15. On 1 December 2025, each director executed a declaration of solvency (the "**Solvency Declarations**") in which they expressed the opinion that the Company would be able to discharge its liabilities in full within a period not exceeding twelve months.

**Background to the Petition**

The Company

16. Prior to the Petitioners' appointment, the Company operated as an open-ended investment fund pursuing an absolute-return alternative credit strategy, deploying capital into finance contracts (purportedly including loans, leases and other asset-backed arrangements), primarily in the agricultural, rural, energy and related sectors.

17. Investments were made directly and indirectly through a downstream structure of intermediate holding entities and subsidiaries, including Luxembourg vehicles that on-lent funds to UK-domiciled entities for deployment into loan portfolios and specialist financing arrangements.

18. The Company's investment manager was PFM Limited (formerly Prestige Fund Management Limited), a Cayman Islands exempted company with limited liability, which was responsible for sourcing, structuring and managing investments on behalf of the Company.

19. The capital of the Company was largely advanced through a Luxembourg-based holding structure, comprising two Luxembourg-based holding entities, Prestige Lux Holding 1 SARL ("**Lux1**") and Prestige Lux Holding 2 SARL ("**Lux2**").

20. By way of summary:

    (a) on 30 May 2011, the Company entered into two separate GBP 500 million interest-free loan facilities with Lux1 and Lux2.

    (b) The Company's facility with Lux2 was subsequently contributed to Lux1 on the same date, whilst Lux1 then executed a total return swap agreement with the Company.

(c) Lux2 on-lent the funds acquired under the aforementioned arrangements under three revolving credit facility arrangements ("**RCF(s)**") (as amended from time to time) to several UK-domiciled entities. These include three entities hereinafter referred to as "**UK1**", "**UK2**", and "**UK3**" (the names of which are being kept confidential due to the commercial sensitivity of ongoing sales processes of the assets held by these entities).

(d) UK1, UK2 and UK3 are subsidiaries of a UK-based specialist lender (the "**Finance Arranger**"). Based on management accounts provided to the JVLs, and documentation provided by the Finance Arranger, these entities drew down on their respective facilities and deployed the proceeds into agricultural and energy financing in the United Kingdom. A summary of these facilities and the amounts understood to be outstanding under the facilities as at the date of the JVLs' appointment is set out below:

| Revolving Credit Facility | Details | Value per Management Accounts as at 1 December 2025 |
| --- | --- | --- |
| **"RCF1"** | **Lender:** Lux2<br>**Borrower:** UK1<br>**Total Facility:** GBP 50 million | GBP 19,900,000.00 |
| **"RCF2"** | **Lender:** Lux2<br>**Borrower:** UK2<br>**Total Facility:** GBP 375 million | GBP 122,323,395.71 |
| **"RCF3"** | **Lender:** Lux2<br>**Borrower:** UK3<br>**Total Facility:** GBP 100 million | GBP 97,481,704.41 |

21. UK1, UK2 and UK3 then deployed the funds into a diversified portfolio of underlying investments, including loans secured against agricultural assets, renewable energy projects and other specialist assets.

22. The Finance Arranger is understood to have originated, serviced and collected borrower repayments, which were received by UK1, UK2 or UK3 and applied in repayment of the RCFs (net of its fees). Lux2 then remitted funds upstream to the Company and/or Lux1 after deducting its own costs.

23. Cashflows were intended to return to the Company through the structure, subject to fees and deductions. In practice however, the timing and quantum of such payments became increasingly uncertain prior to the commencement of the voluntary liquidation.

<u>Redemption Position and Events Leading to Liquidation</u>

24. From around 2019 to 2020, the Company faced increasing redemption requests and declining subscriptions, resulting in sustained liquidity pressure.

25. Redemption liabilities grew significantly, with substantial amounts outstanding and further contracted obligations.

26. In response, around March 2020, the Company imposed redemption gates, creating a multi-year backlog of redemption requests.

27. As redemptions exceeded available liquidity, the board adopted a framework for the purposes of seeking to distinguish “redeeming creditors” (pre-suspension) from later redeemers and continuing investors for distribution purposes.

28. A key issue arose as to the valuation of redemption entitlements, particularly as net asset values ("**NAVs**") were not struck between February 2023 and May 2024. The board adopted a single NAV as at 31 May 2024 for this period. According to records reviewed by the JVLs, the purpose of this single NAV approach was to achieve a more consistent and equitable outcome.

29. On 13 June 2024, the board also resolved to suspend subscriptions, redemptions and NAV calculations, and to defer redemption payments. Redeeming creditors

were to be paid pro rata as liquidity became available, rather than by trade date, reflecting the lack of sufficient liquidity. The Company also reported that an immediate return of cash would have required forced asset sales at significant discounts, which would diminish value.

30. During this period, the directors implemented a managed sell-down of the UK1, UK2 and UK3 interests held via Lux2, focusing on negotiated disposals, refinancings and structured workouts.

31. At the point of suspension, redemption liabilities were substantial, comprising both amounts due and future contractual obligations, with recoveries dependent on realisations over time. However, despite the managed sell-down, the illiquid nature of the assets, rising interest rates and underperformance meant recoveries were slower and lower than required. The directors therefore resolved to place the Company into voluntary liquidation.

Voluntary Liquidation

32. As stated above, the Company was placed into voluntary liquidation on 1 December 2025.

33. Since their appointment, the JVLs have (*inter alia*), undertaken a preliminary review of the Company's liabilities, including redemption and creditor claims. This preliminary assessment was undertaken in late March 2026 as further records became available, and an initial stakeholder report was issued on 18 March 2026.

34. In addition, the JVLs have engaged with the Finance Arranger and other parties to the managed sell-down process to obtain and analyse information on the composition, status and expected realisation of the underlying loan portfolio.

Assets and Liabilities of the Company

35. According to management accounts prepared by the Company's former fund administrator which were received by the JVLs, the Company was understood to have had a net asset value of approximately GBP 6.7 million immediately prior to the JVLs' appointment.

36. The Company's principal assets comprise its indirect interests in the underlying loan portfolio advanced through the Luxembourg and United Kingdom structures, together with certain other investments and receivable positions.

*Lux1 and Lux2*

37. The vast majority of the Company's asset base is indirectly held via Lux1 and Lux2. The Company holds 100% of the interest in Lux1, which itself holds 100% of the interest in Lux2. Two separate interest free loans of GBP 500 million (aggregate of GBP 1 billion) were also entered between the Company, Lux1 and Lux2 on 30 May 2011 for the purposes of providing funding for the Luxembourg structure's operations and to deploy the Company's capital into the downstream UK investment structure. On this same day:

(a) the Company executed an agreement whereby it contributed/transferred the benefits of its interest free loan with Lux2 to Lux1; and

(b) a total return swap agreement was also entered between the Company and Lux1.

*Underlying Loan Portfolio*

38. The most significant component of the Company's asset base is its exposure, via Lux2, to the underlying loan portfolio originated and managed by the Finance Arranger through the UK borrower entities. That portfolio comprises a large number of individual lending positions, including loans and other financing

arrangements secured against agricultural assets, renewable energy projects and related infrastructure.

39. Since their appointment, the JVLs have devoted a significant portion of their time to understanding, monitoring and seeking to maximise recoveries from this portfolio. A key workstream in this regard has been the oversight of the continued progression of the managed sell-down process, including a potential sale of a substantial representative portion of the value of the underlying loan book (referred to herein as the "**larger loan portfolio**"). Since mid-December 2025, the JVLs have engaged extensively with the Finance Arranger in relation to this process and have sought to obtain detailed information as to the composition of the portfolio, the status of individual loan positions, and the progress of marketing and disposal efforts.

Other assets

40. In addition to the larger loan portfolio, the JVLs have been actively involved in overseeing and progressing a number of other asset-specific workstreams. These include the position in respect of a property asset over which security is held via Lux2 and which is subject to receivership proceedings in the United Kingdom. The JVLs have engaged with relevant stakeholders in relation to this asset and have been monitoring the progress of the receivership and any associated realisation process, including consideration of the impact of guarantees and indemnities provided at the Lux2 and Company level.

41. The Company also has an interest in a Luxembourg-based investment vehicle (i.e. Multi-Finance Opportunities Fund, a sub-fund of Premium Alternative S.A. (SICAV-SIF)), which is itself subject to liquidation. The JVLs have engaged with the officeholders appointed in respect of that entity and have sought to understand the nature and potential value of the Company's interest, including the possibility of a distribution in kind or an assignment of underlying assets. The outcome of that

process remains uncertain and is dependent on the progression of the Luxembourg liquidation.

42. Further, the JVLs have been monitoring a range of borrower-level recoveries within the portfolio, including situations where enforcement action has been taken or is under consideration. These matters are subject to ongoing negotiations or legal processes, which will impact both the timing and quantum of potential recoveries.

43. Overall, whilst the Company's asset base is substantial in nominal terms (and widely held across various jurisdictions), the JVLs' work has confirmed that the key determinant of value is the level of realisations that can be achieved through ongoing realisation processes, rather than the carrying values reflected in historic financial information. Those realisations are subject to a number of variables, including market conditions, the performance of underlying borrowers, enforcement outcomes and the success of the managed sell-down strategy.

*Liabilities*

44. The Company is subject to significant claims from investors in respect of unpaid redemptions, which represent the majority of liabilities. These claims have accrued over a prolonged period during which the Company's liquidity was constrained and redemption payments were limited or deferred.

45. In addition to redemption claims, the Company is also subject to other creditor claims and may be exposed to contingent liabilities. Such claims have not yet been adjudicated in full. However, the adjudication of such claims is likely to require the determination of rights arising under foreign law, which may be more efficiently dealt with under the supervision of this Honourable Court.

*Assessment of Solvency*

46. At the time of their appointment, and in the period immediately thereafter, the JVLs' understanding of the value of the Company's assets was necessarily based on

incomplete information. In particular, the JVLs did not have full access to all underlying documentation relating to the loan portfolio and were reliant, to a significant degree, on information and representations provided by the Finance Arranger and other third parties.

47. Further, the managed sell-down process, including any potential sale of a larger loan portfolio, had not progressed to a point where reliable pricing or recovery estimates could be established with any degree of certainty.

48. Over the course of the voluntary liquidation, the JVLs have progressively obtained additional information and documentation and have continued to engage with the Finance Arranger in relation to the status of the portfolio and the progress of disposal efforts. It is only in this more recent period, as the relevant transactions have progressed and indicative recoveries have become clearer, that the JVLs have been in a position to reassess the Company's overall financial position with a greater degree of certainty.

49. Based on the JVLs' ongoing review of the Company's financial position, including the value and recoverability of underlying assets and the quantum of potential creditor claims based preliminary reviews of the Company's financial data, it is now apparent that the value of potential redemption liabilities and other creditor claims will likely exceed the realisable value of the Company's assets. There also remain uncertainties in respect of the valuation and recoverability of certain assets, as well as the legal characterisation and quantum of redemption claims, in respect of which the supervision of the Court may offer a more suitable forum to address.

50. The JVLs have now reviewed the most recent management accounts, creditor claims submitted to date, and current recovery estimates, and have determined that the Company is insolvent.

51. In those circumstances, the JVLs seek an order that the liquidation continue under the supervision of the Court pursuant to section 131(a) of the Companies Act.

**Requirement for Court Supervision**

52. In circumstances in which the Company's shareholders have resolved to wind up a company voluntarily pursuant to section 116(c) of the Companies Act, section 131(a) of the Companies Act provides that a voluntary liquidator may seek an order for the continuation of the winding up under the Court's supervision, notwithstanding the fact that the requisite declaration of solvency has been made by a company's directors in accordance with section 124 of the Companies Act, on the ground that "*the company is or is likely to become insolvent".*

53. For the reasons set out above, it is apparent that notwithstanding the provision of the Solvency Declarations at the time of the JVLs' appointment, the Company is, on analysis, insolvent. Accordingly, it is considered appropriate for the Company's liquidation to continue under the supervision of the Court.

54. In addition and without prejudice to the Petitioners' position that a supervision order is appropriate under section 131(a) of the Companies Act, the making of a supervision order would also be appropriate pursuant to section 131(b) of the Companies Act, on the basis that supervision by this Honourable Court would be a more effective, economic or expeditious liquidation of the company in the interests of the contributories and creditors. For example:

(a) the liquidation raises complex issues, including cross-border asset realisations, the adjudication of substantial and potentially contested creditor (including redemption) claims, and matters likely to require the Court's directions. Court supervision will provide an appropriate framework to address these issues, promote transparency and fairness for stakeholders, and afford a moratorium on claims to enable the official liquidators to conduct an orderly liquidation.

(b) in respect of the redemption issues raised in respect of the Company, these particular issues give rise to a number of important and complex legal considerations that would be best considered in the context of a supervised liquidation, including (i) the exercise of the directors' powers under the Company's constitutional documents to suspend redemptions, (ii) the classification and treatment of redeeming investors, and (iii) the appropriateness of the valuation methodology adopted in respect of redemption entitlements.

(c) the continuation of the Company's liquidation under the supervision of this Honourable Court will allow for foreign recognition of the appointment of liquidators which may be required to pursue the realisation of the remaining assets of the Company that are not located in the Cayman Islands; and

(d) the making of a supervision order will better allow the official liquidators to conduct an investigation into the affairs of the Company and an orderly winding up under the supervision of this Honourable Court for the benefit of all stakeholders.

**Consent to Appointment as Joint Official Liquidators**

55. Both Timothy Womack and John Henry of KPMG LLP:

(a) are "*qualified insolvency practitioner[s]r*" as defined in section 89 of the Companies Act and as prescribed by Regulation 4 of the Insolvency Practitioners' Regulations (2026 Consolidation) (the "**IPR**");

(b) meet the residency requirement under Regulation 5, IPR;

(c) meet the independence requirement under Regulation 6, IPR;

(d) meet the insurance requirement under Regulation 7, IPR, and KPMG LLP holds a trade licence which authorises its staff to carry on business as professional insolvency practitioners; and

(e) consent to their appointments as official liquidators of the Company, if so appointed.

**Your Petitioners therefore humbly pray that:**

1. The voluntary liquidation of the Company be continued under the supervision of the Court pursuant to section 131(a) of the Companies Act and Order 15, rule 8 of the CWR.

2. Timothy Womack (+1 345-914-3697, twomack@kpmg.ky) and John Henry (+1 345-914-3699, johnhenry@kpmg.ky) of KPMG LLP, P.O. Box 493, SIX Cricket Square, 282 Shedden Road, George Town, Grand Cayman KY1-1106, Cayman Islands, be appointed as joint official liquidators of the Company (the "**JOLs**") and that the JOLs be authorised to do any acts or things considered by them to be necessary or desirable in connection with the liquidation of the Company and the winding up of its affairs.

3. The JOLs shall not be required to give security for their appointment.

4. The JOLs shall have the power to act jointly and severally in their capacity as official liquidators of the Company.

5. The JOLs shall be authorised to do any acts or things considered by them to be necessary or desirable in connection with the dissolution of the Company and the winding up of its affairs.

6. The JOLs be authorised to take any such action as may be necessary or desirable to obtain recognition of the JOLs and/or their appointment and/or powers in any other relevant jurisdiction and to make applications to the courts of such jurisdictions for that purpose.

7. In addition to the powers set out in Part II of Schedule 3 to the Companies Act, the JOLs be authorised to exercise all of the following powers without further sanction of the Court, namely:

(a) to engage staff (whether or not as employees of the Company) to assist them in the performance of their functions;

(b) to pay any class of creditors in full;

(c) to sell any of the Company's property by public auction or private contract with power to transfer the whole of it to any person or to sell the same in parcels;

(d) to make any compromise or arrangement with creditors or persons claiming to be creditors or having or alleging themselves to have any claim (present or future, certain or contingent, ascertained or sounding only in damages) against the company or for which the company may be rendered liable; and

(e) to engage attorneys practising in the Cayman Islands and in foreign jurisdictions, and other professionally qualified persons, to assist the JOLs in the performance of their functions.

8. No disposition of the Company's property by or with the authority of the JOLs in carrying out their duties and functions and the exercise of their powers under any Order granted pursuant to this Petition shall be voided by virtue of section 99 of the Companies Act.

9. Subject to section 109(2) of the Companies Act and the Insolvency Practitioners' Regulations (as amended), the JOLs be authorised to render and pay all invoices out of the assets of the Company for their own remuneration.

10. The JOLs be at liberty to meet all disbursements reasonably incurred in connection with the performance of their duties and, for the avoidance of doubt, all such

payments shall be made as and when they fall due out of the assets of the Company as an expense of the liquidation.

11. No suit, action or other proceedings, including criminal proceedings, shall be proceeded with or commenced against the Company except with leave of the Court pursuant to section 97 of the Companies Act.

12. The Petitioners' costs of and incidental to the Petition shall be paid out of the assets of the Company as an expense of the liquidation.

13. The JOLs shall be at liberty to apply generally.

14. Such further and/or other relief as this Honourable Court thinks appropriate.

AND your Petitioner will ever pray etc.

**DATED** this 24th day of August 2026

Walkers (Cayman) LLP

**WALKERS (CAYMAN) LLP**
Attorneys at Law for the Petitioner

**NOTE**: This Petition will be further served in accordance with any order of this Honourable Court requiring the Petitioners to do so.

This **PETITION** is presented by Walkers (Cayman) LLP, Attorneys at Law, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9001, for the Petitioners whose address for service is care of its Attorneys at Law.

**NOTICE OF HEARING**

TAKE NOTICE THAT the hearing of this Petition will take place at the Law Courts, George Town, Grand Cayman on at am / pm.

Any correspondence or communication with the Court relating to the hearing of this Petition should be addressed to the Registrar of Financial Services Division of the Grand Court at PO Box 495, Grand Cayman, KY1-1106, telephone no. +1 345 949 4296.