

This document (the “Supplement”) constitutes a supplement to and must be read in conjunction with the Prospectus of TRISTONE HEALTHCARE BOND DAC (the “Issuer”) dated 1st November 2019, published by the Issuer (the “Prospectus”). The whole text of this document and the Prospectus should be read together. Definitions used in the Prospectus shall apply to this Supplement unless stated otherwise.

This Supplement is drafted for the purpose of Article 23 of Regulation (EU) 2017/1129 (the “Prospectus Regulation”).

TRISTONE HEALTHCARE BOND DAC

(Incorporated in Ireland under the Companies Act 2014 No 600107)

Supplement to the Prospectus dated 1st November 2019

**For the admission to trading on the Corporate Bond Market of the regulated market of the
Cyprus Stock Exchange of up to £19,100,000 8.5% Secured Notes due 2027**

CySEC only approves the Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Issuer or of the quality of the Secured Notes that are the subject of this Supplement.

The Issuer and its Directors, whose names appear on page 6 of this Supplement and who sign this Supplement assume full responsibility, both jointly and severally, for the contents and information set out in the Supplement and responsibly declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of their knowledge, in accordance with the facts and that the Supplement makes no omission likely to affect its import.

Global Capital Securities and Financial Services Limited, in its capacity as Underwriter (the “Underwriter”) responsible for the drawing up of this Supplement to the Prospectus, responsibly declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Supplement is, to the best of its knowledge, in accordance with the facts and that the Supplement makes no omission likely to affect its import.

Date 7 April 2020

Purpose of this Supplement

The purpose of this Supplement is to incorporate, supplement and /or update information relating to the following:

- (i) The issuance of a second tranche of 161 additional 8.5% Secured Notes due 2027 of nominal value GBP 1,000.
- (ii) The introduction of a Loan Variation Agreement dated December 2019, which varies certain terms of the Loan Agreement between the Issuer and THC Limited.
- (iii) The introduction of a Warehousing Agreement dated December 2019, between the Issuer and THC Limited, whereby the Issuer can issue Secured Notes to THC Limited which will be held in a trading account opened by THC Limited for this purpose and can be used for the settlement of the consideration of any acquisitions THC Limited makes.
- (iv) The appointment of Phil Ledgard on the Board of Directors of the Company, effective date 20 January 2020.
- (v) The risks specific to the Issuer, associated with the decision by the United Kingdom to exit from the European Union and the recent coronavirus outbreak.
- (vi) The progress achieved by THC Limited in the framework of the implementation of its investment policy, towards achieving its short-term acquisition objectives.

As referred to bullet point (i), above, following the approval of the Prospectus dated 1st November 2019, the Board of Directors of the Issuer has proceeded to the issuance of 161 additional 8.5% Secured Notes due 2027, of nominal value GBP 1,000. As a result, the number of the Secured Notes placed with qualified investors and issued, increased from 1,091 Secured Notes referred to in the Prospectus to 1,252 Secured Notes.

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Cover Page

Following the approval of the Prospectus dated 1st November 2019, the Board of Directors of the Issuer resolved to proceed to the issuance of a second tranche of £161,000 additional Secured Notes. As a result, the paragraph on the **cover of the Prospectus** is amended as follows:

“The Secured Notes will be placed in tranches with qualified investors on a reasonable endeavor basis. The initial tranche of Secured Notes of £1,091,000 and a second tranche of Secured Notes of £161,000, totalling £1,252,000 Secured Notes (1,252 Secured Notes of par value £1,000) have been placed and issued between June 2018 and December 2019. Subsequent tranches will follow. The placement of the Secured Notes is not underwritten”.

Summary

The following Sections of the Summary of the Prospectus dated 1st November 2019 are supplemented as follows:

Paragraph B4 “Identity of key managing directors”

“Following the appointment of Phil Ledgard on the Board of Directors of the Company, effective date 20 January 2020, the key managing directors of the Issuer are the following:

- *Yannis Loucopoulos*
- *Andrew Williamson*
- *Ivano Cafolla*
- *Phil Ledgard”*

Paragraph C4 “Number of Notes issued”

“Following the approval of the Prospectus dated 1 November 2019, the Board of Directors of the Issuer resolved to proceed to the issuance of 161 additional 8.5% Secured Notes due 2027, of nominal value GBP 1,000. As a result, the number of the Secured Notes placed with qualified investors and issued, increased from 1,091 Secured Notes to 1,252 Secured Notes”.

“These Secured Notes are of the same class as the £900,000 Secured Notes (900 Secured Notes of par value £1,000) issued and already admitted on the Corporate Bond Market of the CSE.

Further Secured Notes of up to £17,848,000 will be placed with qualified investors and will be issued with the same terms and conditions as the Secured Notes already placed and will also be admitted to trading following approval for admission from the CSE”.

Paragraph D1 “General terms, conditions and expected timetable of the offer”

“The board of directors of the Issuer have by a resolution dated 27 September 2017 resolved to issue up to £20,000,000 8.5% Secured Notes due 2027 on the terms and conditions set out herein and in the Trust Deed.

Since the aforementioned Board resolution:

- (i) *Secured Notes of £900,000 were issued and admitted to trading on the Corporate Bond Market of the CSE;*
- (ii) *The initial tranche of Secured Notes of £1,091,000 was placed with qualified investors and issued and will be admitted to trading on the same Market of the CSE on approval of the CSE for admission. These Secured Notes are of the same class as the £900,000 Secured Notes issued and already admitted on the Corporate Bond Market of the CSE;*
- (iii) *The second tranche of Secured Notes of £161,000 was placed with qualified investors and issued and will be admitted to trading on the same Market of the CSE on approval of the CSE for admission. These Secured Notes are of the same class as the £900,000 Secured Notes issued and already admitted on the Corporate Bond Market of the CSE;*
- (iv) *The Company expects to issue a further £17,848,000 Secured Notes (17,848 Secured Notes of par value £1,000) in £500,000 - £1,000,000 tranches to qualified investors within the next 12 months, with the same terms and conditions as the Secured Notes already placed. No Secured Notes will be issued, offered or sold to the retail market.*

The Secured Notes are due 2027 and carry interest 8.5% per annum from the date of issue over the term of the Secured Notes.

The Prospectus relates to the listing on the Corporate Bond Market of the CSE of up to £19,100,000 Secured Notes (19,100 Secured Notes of par value £1,000) 8.5% Secured Notes due 2027”.

RISK FACTORS

Under sub-section “Risks related to the market generally”, in Section “Risk Factors” in the Prospectus, the risk relating to “Brexit” and the EU/Eurozone is amended as follows:

“The determination by the United Kingdom to serve notice on 29 March 2017 to exit the European Union pursuant to Article 50 of the Treaty of Lisbon (“Brexit”), has led the United Kingdom to leave the European Union on 31 January 2020. Brexit could have a significant impact on the Company especially as it has bases of operations in both the UK and Ireland. The extent of the impact would depend in part on the nature of the arrangements that are put in place between the UK and the EU following Brexit and the extent to which the UK continues to apply laws that are based on EU legislation. In addition, the macroeconomic effect of Brexit on the Company’s business is unknown. As such, it is not possible to state, at this stage, the impact that Brexit would have on the Company”.

Under sub-section “Risks related to the market generally”, in Section “Risk Factors”, the Prospectus is supplemented with the following, which relates to the outbreak of the coronavirus:

“The outbreak of coronavirus (COVID-19) has already brought considerable human suffering and major disruptions to the global economy. Output contractions, initially in China and subsequently in the rest of the globe, are being felt around the world, reflecting the key and rising role China has in global supply chains, travel and commodity markets. Subsequent outbreaks in other economies are having similar effects, albeit on a smaller scale. Fears of the COVID-19 impact on the global economy have rocked markets worldwide, plunging stock prices and bond yields.

As a result of the outbreak, growth prospects remain highly uncertain. The outbreak has led major institutions and banks to cut their forecasts for the global economy. One of the latest to do so is the Organisation for Economic Co-operation and Development, which, in a March 2020 report, said it downgraded its 2020 growth forecasts for almost all economies.

The extent of the eventual impact of the coronavirus outbreak would depend in part on the timing of the globe's ability to contain the virus. The extent to which the UK economy's macroeconomic fundamentals will be affected is unknown and any attempt to provide quantitative evidence at this stage would be purely speculative. As such, it is not possible to state, at this stage, the impact that the coronavirus outbreak would have on the Company, irrespective of the fact that the Company is indirectly associated with the healthcare sector, which may be directly impacted by the virus".

Information on the Drafting of the Supplement to the Prospectus – Persons Responsible for the Supplement

This Supplement to the Prospectus has been prepared in accordance with the relevant legislation and has been approved by CySEC acting as the competent authority in Cyprus under Regulation (EU) 2017/1129.

CySEC only approves this Supplement to the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129.

Such approval should not be considered as an endorsement of the Issuer or of the quality of the Notes that are the subject of this Supplement to the Prospectus.

Investors should make their own assessment as to the suitability of investing in the Notes.

Company and Directors responsible for the content of the Supplement to the Prospectus

The Issuer assumes full responsibility for the information contained in this Supplement to the Prospectus and declares that the information contained in it is in accordance with the facts and makes no omission likely to affect its import. The Directors of the Issuer signing this Supplement to the Prospectus, are also responsible jointly and severally for the information contained in this Supplement to the Prospectus and declare that: (i) having taken all reasonable care to ensure that such is the case, the information contained in it are, to the best of their knowledge, in accordance with the facts, complete and true; (ii) the Supplement to the Prospectus makes no omission likely to affect its import; and (iii) no legal actions or claims of material importance are pending or threatened against the Issuer that could materially affect the Issuer's financial position. In accordance with section 20 of the Prospectus Law, this Supplement to the Prospectus has been signed by all of the directors of the Issuer, whose names appear below, which persons are responsible for the completeness, clarity, accuracy and update of the information contained herein:

- *Mr. Yannis Loucopoulos, Executive Director*
- *Mr. Andrew Williamson, independent non-Executive Director*
- *Mr. Ivano Cafolla, independent non-Executive Director, and*
- *Mr. Phil Ledgard, independent non-Executive Director*

all being directors of the Issuer.

Underwriter Responsible for drawing up of the Supplement to the Prospectus

Global Capital Securities and Financial Services Limited, in its capacity as Underwriter responsible for the drawing up of this Supplement to the Prospectus, by virtue of section 23 of the Prospectus Law, responsibly declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Supplement to the Prospectus is, to the best of its knowledge, in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

No responsibility of Trustee or Legal advisors to the Issuer in England or Cyprus

Neither the Trustee nor the Legal advisors to the Issuer in England or Cyprus (notwithstanding that one entity may be performing multiple roles) has separately verified or takes responsibility for the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Legal advisors to the Issuer in England or Cyprus or the Trustee as to the accuracy or completeness of the financial information contained herein, or any other financial statements or any further information supplied in connection with the issue of the Secured Notes or their distribution. The statements made in this paragraph are without prejudice to the respective responsibilities of the Issuer in relation to the Secured Notes.

Definitions

The Section “**Definitions**” of the Prospectus is supplemented with the following:

“Second Tranche”	<i>means the tranche of £161,000 Secured Notes (161 Secured Notes of par value £1,000), which was issued on 15 December 2019;</i>
“Loan”	<i>means the loan to be advanced by the Issuer to THC Limited under the terms of the Loan Agreement, as subsequently amended by Loan Variation Agreement March 2019 and Loan Variation Agreement December 2019</i>
“Loan Agreement”	<i>means the loan agreement entered into between the Issuer and THC Limited as varied by the Loan Variation Agreement March 2019 and the Loan Variation Agreement December 2019, as more particularly described in the section of the Prospectus headed “INFORMATION OF THE ISSUER”;</i>
“Loan Variation Agreement March 2019”	<i>means the deed of variation dated March 2019, entered into between the Issuer and THC Limited varying certain terms of the Loan Agreement;</i>
“Loan Variation Agreement December 2019”	<i>means the deed of variation dated December 2019, entered into between the Issuer and THC Limited varying certain terms of the Loan Agreement;</i>

“Warehousing Agreement”	<i>means the agreement dated December 2019, entered into between the Issuer and THC Limited, whereby the Company can issue Secured Notes to THC Limited which will be held in a trading account opened by THC Limited for this purpose and can be used for the settlement of all or part of the consideration element of any corporate acquisitions THC Limited makes as part of its growth strategy;</i>
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Details of the Secured Notes

The **Section “Issue Details”**, in the Part titled “Details of the Secured Notes”, is supplemented as follows:

Second Tranche	<i>£161,000 Secured Notes (161 Secured Notes of par value £1,000), which were issued on 15 December 2019.</i>
Principal Amount and Tranches	<p><i>The board of directors of the Issuer have by a resolution dated 27 September 2017 resolved to issue up to £20,000,000 8.5% Secured Notes due 2027 on the terms and conditions set out herein and in the Trust Deed.</i></p> <p><i>Since the aforementioned Board resolution, Secured Notes of £900,000 were issued and admitted to trading on the Corporate Bond Market of the CSE on the 2nd March 2018.</i></p> <p><i>From the £19,100,000 remaining Secured Notes due 2027 that the Company has authorized, it has proceeded to the issue of the initial tranche of £1,091,000 such Secured Notes (1,091 Secured Notes of par value £1,000) and the issue of the second tranche of £161,000 such Secured Notes (161 Secured Notes of par value £1,000).</i></p> <p><i>The Company expects to issue a further £17,848,000 Secured Notes (17,848 Secured Notes of par value £1,000) in £500,000 - £1,000,000 tranches to qualified investors within the next 12 months, with the same terms and conditions as the Secured Notes already placed.</i></p>
Number of Secured Notes issued	<i>£1,252,000 Secured Notes, consisting of the initial tranche of £1,091,000 Secured Notes and the second tranche of £161,000 Secured Notes have been issued</i>

	<i>and will be admitted to trading following approval for admission from the CSE. These Secured Notes are of the same class as the Secured Notes previously issued and already admitted on the Corporate Bond Market of the CSE.</i>
Issue Date	<p><i>Refers to the date of issue of each Tranche.</i></p> <p><i>The initial tranche of £1,091,000 Secured Notes (1,091 Secured Notes of par value £1,000) has been placed with qualified investors and issued between June 2018 and July 2019.</i></p> <p><i>The second tranche of £161,000 Secured Notes (161 Secured Notes of par value £1,000) has also been placed with qualified investors and issued on the 15 December 2019.</i></p>

Diagram of the Transaction Structure on Closing and Cashflow

In the **Section “Diagram of the Transaction Structure on Closing and Cashflow”** in the Prospectus, the paragraph under the diagram is replaced by the following:

“The Issuer is a recently incorporated entity whose purpose is to issue the Secured Notes. The Net Proceeds will be loaned by the Issuer to Tristone Healthcare Limited (“THC Limited”) under the terms of the Loan Agreement, the Loan Variation Agreement March 2019, the Loan Variation Agreement December 2019 and the Warehousing Agreement.

The Loan Agreement also contains an obligation on the Issuer to advance any sums received by it through the issue of the Secured Notes, less the reasonable costs associated with the Admission of those subsequent tranches of Secured Notes, to THC Limited. THC Limited shall, pursuant to the terms of the Loan and Loan Variation Agreements, be contractually obliged to use the Loan to make investments into projects in the healthcare sector within the UK and Republic of Ireland that meet the Eligibility Criteria.

Further, the warehousing arrangement between the Company and THC Limited allows the Company to issue Secured Notes to THC Limited which will be held in a trading account opened by THC Limited for this purpose and can be used for the settlement of all or part of the consideration element of any corporate acquisitions THC Limited makes as part of its growth strategy.

As security for its obligations under the Loan Agreement, THC Limited grants in favour of the Issuer a first ranking debenture over all its assets and undertaking. In turn, the Issuer grants in favour of the Trustee a first ranking debenture over all its assets and undertaking.

The Issuer is an Irish incorporated designated activity company, registered on 9 March 2017 with registration number 600107. It has its registered office at 17 Pembroke Street Upper, Dublin 2, D02 AT22, Republic of Ireland. (Tel. No: +35317755600; Fax No: +35317755601).

Except in the cases where Secured Notes are issued by the Issuer to THC Limited under the warehousing agreement, the Net Proceeds flow from the Noteholders to the Issuer. The Issuer will then lend the Net Proceeds to THC Limited under the terms of the Loan Agreement.

THC Limited will then use the proceeds of the Loan to operate THC Limited and invest in healthcare projects within the UK and Ireland that meet the Eligibility Criteria. Every 6 months THC Limited will pay the interest due on the Loan Agreement (at the rate of 10.5% above the base rate for the time being of the Bank of England) to the Issuer thus enabling the Issuer to pay the annual interest payments due to Noteholders on the Interest Payment Date in accordance with the Terms and Conditions. THC Limited will repay the principal amount advanced under the Loan Agreement prior to the Maturity Date to allow the Issuer to repay the Principal to Noteholders under the Terms and Conditions.

During the periods between the dates when interest payments are due on the Secured Notes, the Issuer may invest the reserve in one month or three-month cash deposits which generate rates of c. 0.5% AER with mainstream banks.

Payments due to the Issuer will be made by THC Limited to the Account Bank or into such account as the Issuer may nominate for this purpose”.

Information on the Issuer

Item “Recent events which are to a material extent relevant to an evaluation of the Issuer’s solvency” under **Section “Information on the Issuer”** of the Prospectus is supplemented with the following:

<p><i>Recent events which are to a material extent relevant to an evaluation of the Issuer’s solvency</i></p>	<p><i>The Issuer’s ability to meet interest payments and /or principal repayment is dependent on THC Limited meeting its obligations under the Loan Agreement.</i></p> <p><i>THC Limited has made significant progress towards achieving its short-term acquisition objectives, having entered into exclusivity contracts with four acquisition targets with a total purchase price value of £7.9m.</i></p>
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Section 7 is supplemented as follows:

The information on Mr. Phil Ledgard, who has been appointed on the Issuer’s Board of Directors with effective date 20th January 2020, is exhibited below:

Phil Ledgard (age 42), Chief Financial Officer

Phil is an experienced finance professional across AIM plc, FTSE100 and Private Equity environments for high growth service sector businesses. Extensive acquisition and integration experience. Track record of delivering strong cash generation and control, growing profitability, and driving strong commercial practices across multi-site and complex portfolios of businesses and sectors. Proven ability to develop and lead well-organised, high-performing teams and financial control environments. Skilled at establishing long-lasting, effective business relationships with a wide range of stakeholders”.

The following table relates to Mr. Phil Ledgard's participation on the Board of Directors of other entities:

Section 9 is supplemented as follows:

Phil Ledgard, independent non-Executive Director

Current directorships	Previous directorships
Tristone Healthcare Bond DAC	VPS(UK) Ltd
Tristone Healthcare Limited	Evander Glazing and Locks Ltd
Tristone Capital Limited	Highway Windscreens (UK) Ltd
Roundhouse Care Holdings Ltd	VPSitex NI Ltd
Ex Cathedra Ltd	Redfields Landscaping & Design Ltd
	Lotus Landscapes Ltd
	VPS Site Security Ltd
	Staffline Group plc
	Staffline Recruitment Ltd
	Staffline Ltd
	Driving Plus Ltd
	Experience Management ltd
	Agency Plus Ltd
	Staff-line Trustees Ltd
	Elpis Training Ltd
	Qubic Recruitment Ltd
	A la Carte Recruitment Ltd
	EOS Services Ltd
	TechSearch Technology Ltd
	International Employment Group Ltd
	Learning Plus System Ltd
	Staffline Appointments Ltd
	EOS Works Ltd
	EOS Works Group Ltd
	Staffline Holdings Ltd
	TNG Ltd

	Inbiz Group Ltd
	PeoplePlus Group Ltd
	Inbiz Ltd
	Network Projects Ltd
	Avanta Employee Healthcare Scheme Ltd
	BroomCo (4198) Ltd
	SoftMist Ltd
	PeoplePlus (Works) NI Ltd
	A4E Ltd
	A4E Europe Ltd
	PeoplePlus Scotland Ltd
	A4E Enterprise Ltd
	Action for Employment Trustees Ltd
	Skillspoint Ltd
	Paragon Training (NI) Limited
	Milestone Operations Limited
	Milestone Logistics Limited
	Cherry Topco Limited
	Cherry Midco 1 Limited
	Cherry Midco 2 Limited
	Cherry Bidco Limited
	Evander Limited
	Evander Group Limited
	Evander Group Trustee Limited
	Highway Glass Limited
	Compact Community Services Holdings Limited
	Compact Community Services Limited
	A4E Employee Trustee Ltd
	A4E Wales Limited
	A4E Management Ltd

	A4E Insight Ltd A4E Ireland Ltd GONEW Recruitment Ltd GONEW Recruitment Holdings Ltd
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The paragraphs relating to the Secured Notes issued by the Company in sub-paragraph 12.1, Paragraph 12 (“General”) under **Section “Information on the Issuer”** of the Prospectus are replaced with the following:

“It is noted that following the aforementioned Board resolution relating to the creation of £20,000,000 8.5% Secured Notes due 2027, 900 such Secured Notes were issued and admitted to trading on the 2nd March 2018, through the Company’s prospectus that was published on 8 January 2018.

The initial tranche of Secured Notes of £1,091,000 and a second tranche of Secured Notes of £161,000, totalling £1,252,000 Secured Notes (1,252 Secured Notes of par value £1,000) were placed and issued between June 2018 and December 2019 and will be admitted to trading on the same Market of the CSE on approval of CSE for admission. These Secured Notes are of the same class as the 900 Secured Notes issued and already admitted on the Corporate Bond Market of the CSE.

Further up to 17,848 Secured Notes will be placed with qualified investors, with the same terms and conditions as the Secured Notes already placed and will be admitted to trading subject to a pertinent approval for Admission by the CSE”.

Paragraph 13 (“Post Issuance Reporting”) under **Section “Information on the Issuer”** of the Prospectus is replaced with the following:

“THC Limited will provide regular reports to the Issuer, sufficient to enable the Issuer to provide updates to the Noteholders on the performance of the underlying investments made by THC Limited. The Issuer also intends to make announcements of the same on a regular basis.

In this framework, THC Limited has informed the Company that it has made significant progress towards achieving its short term acquisition objectives, having entered into exclusivity contracts with four acquisition targets with a total purchase price value of £7.9m.

Further, THC Limited has informed the Company that it has now secured one more contract to provide strategic and operational support to independent care businesses, bringing the total number to three. These contracts have a total annual value of £246,000”.

Paragraph 15 (“Admission to the CSE”) under **Section “Information on the Issuer”** of the Prospectus is replaced with the following:

“On the 2nd March 2018, £900,000 Secured Notes were admitted to the Corporate Bond Market of the CSE.

It is expected that Admission of further £1,252,000 Secured Notes will be effective subject to approval for Admission by CSE, to which a pertinent application has been submitted, and that dealings in the Secured Notes will commence shortly thereafter.

Further Secured Notes of up to £17,848,000 will be placed with qualified investors, with the same terms and conditions as the Secured Notes already placed and will be admitted to trading subject to a pertinent approval for Admission by the CSE.

No Secured Notes of the same class as the Secured Notes to be admitted to trading through this Prospectus have been listed on any regulated markets or third country markets, SME Growth Market or MTFs, other than the CSE”.

Business of the Issuer

The third paragraph under **Section “Business of the Issuer”** relating to Secured Notes that have already been issued by the Company, is replaced with the following:

“In the framework of its business, the Issuer has advanced to THC Limited the net proceeds arising from the issue of £900,000 Secured Notes, which were subsequently admitted to trading on the Corporate Bond Market of the CSE, through the Company’s prospectus that was published on 8 January 2018, as well as the net proceeds arising from the issue of £1,252,000 Secured Notes, consisting of the initial and the second tranches of Secured Notes that have already been issued, to be admitted to trading on the Corporate Bond Market of the CSE, through this Prospectus, subject to a pertinent approval for Admission by the CSE”.

Material Contracts

The title of Paragraph 2 (“Loan Variation Agreement”) of **Section “Material Contracts”** is amended to “*Loan Variation Agreement March 2019*”.

The following paragraph is added under **Section “Material Contracts”**:

Loan Variation Agreement December 2019

“In December 2019, the Company entered into a deed of variation of its loan agreement with THC Limited to clarify that funds can be advanced by the Company to THC Limited through the issue of Secured Notes as well as cash.

To this effect, the deed of variation of the loan agreement between the two companies extended the definition of “Borrowed Money” of the initial loan agreement to include “any note (including without limitation the issuance of the Tristone Healthcare Bond DAC 8.5% Secured Notes due 2027)”.

The following paragraph is further added under **Section “Material Contracts”**:

Warehousing Agreement

“In December 2019, the Company entered into a warehousing arrangement with THC Limited, whereby the Company can issue Secured Notes to THC Limited which will be held in a trading account opened by THC Limited for this purpose and can be used for the settlement of all or part of the consideration element of any corporate acquisitions THC Limited makes as part of its growth strategy”.

Business of THC Limited

Paragraph 2 (“Investment Policy”) under **Section “Business of THC Limited”** has been replaced with the following:

2. Investment Policy

“It is the intention of the Directors that, for so long as it remains prudent to do so, THC Limited’s investment policy will be to invest in certain healthcare businesses or companies, principally based in the UK and the Ireland, where the management team has previous experience within the sector. It is the intention of the THC Limited Directors that THC Limited will source investments that have the potential to generate strong cash flows, profits and investment growth. It is intended that the cash flows generated from these investments will be used to pay the interest and repay the principal on the Loan.

In the framework of the implementation of its investment policy, THC Limited has made significant progress towards achieving its short term acquisition objectives.

THC Limited has entered into exclusivity contracts with four acquisition targets with a total purchase price value of £7.9m. The four acquisitions were expected to be effected by 31/03/2020, however their completion has been delayed by the outbreak of Covid-19.

The combined annualised revenue of the four anticipated acquisitions is £8.9mn.

THC Limited continues to assess a strong pipeline of other additional acquisition targets, with offers having been submitted for a further three businesses.

THC Limited has also secured one more contract to provide strategic and operational support to independent care businesses, bringing the total number to three. These contracts have a total annual value of £246,000.

As a result of this strong progress to date, the Directors of THC Limited consider that the company is well placed to deliver on its strategic objectives for the next twelve months as it continues to identify and deliver further acquisitions in line with its business plan”.

Use of Net Proceeds

The **Section “Use of Net Proceeds”** is replaced with the following:

“The Net Proceeds from the issue of the £1,252,000 Secured Notes (1,252 Secured Notes of par value £1,000) that have already been issued through the initial and second tranches, have been advanced to THC Limited pursuant to the terms of the Loan Agreement and will be utilised by THC Limited to operate its business and invest in the healthcare sector in the UK and the Republic of Ireland as more specifically described in the section of this Prospectus headed “BUSINESS OF THC Limited.

The Net Proceeds of further Secured Notes of up to £17,848,000 that are expected to be placed with qualified investors and issued will also be advanced to THC Limited pursuant to the terms of the Loan Agreement.

The total costs and expenses in relation to the production of this Prospectus payable by the Company are estimated to amount to approximately £28,000 (excluding VAT).

It is the Directors' of THC Limited intention that THC Limited will be looking to invest the majority of Net Proceeds within 3 years with the intention of making in excess of ten investments over this period, building a diversified portfolio investing into healthcare projects.

THC Limited will look at investing in both the debt and equity of projects but will ensure that sufficient capital is deployed in debt or debt-type securities in order to generate appropriate income and cash flows to meet its repayment obligations under the Loan Agreement.

Since Admission the amount of £2,152,000 has been drawn down under the Loan and Loan Variation Agreements in accordance with the terms of those documents”.

Terms and Conditions of the Secured Notes

The first three (3) Paragraphs of **Section “Terms and Conditions of the Secured Notes”** are replaced with the following:

“The Secured Notes to which this Prospectus relates are of the same class as the £900,000 Secured Notes already admitted to trading on the CSE on 2nd March 2018.

The Secured Notes are constituted by the Trust Deed (as amended or supplemented from time to time) by which the Issuer and the Trustee of the Secured Notes (which expression shall include all persons for the time being the trustee or trustees in respect of the Secured Notes under the Trust Deed) are bound. The board of directors of the Issuer have by a resolution dated 27 September 2017 resolved to issue up to £20,000,000 8.5% Secured Notes due 2027 on the terms and conditions set out herein and in the Trust Deed.

Since the aforementioned Board resolution:

- (i) Secured Notes of £900,000 were issued and admitted to trading on the Corporate Bond Market of the CSE, through the Company's prospectus that was published on 8 January 2018;*
- (ii) Secured Notes of £1,091,000 resulting from the placement of the initial tranche were placed with qualified investors and issued and will be admitted to trading on the same Market of the CSE on approval of CSE for admission. These Secured Notes are of the same class as the £900,000 Secured Notes issued and already admitted on the Corporate Bond Market of the CSE;*
- (iii) Additional Secured Notes of £161,000 resulting from the placement of the second tranche were placed with qualified investors and issued and will be admitted to trading on the same Market of the CSE on approval of CSE for admission. These Secured Notes are also of the same class as the £900,000 Secured Notes issued and already admitted on the Corporate Bond Market of the CSE;*
- (iv) Further Secured Notes of up to £17,848,000 will be placed with qualified investors, with the same terms and conditions as the Secured Notes already placed and will be admitted to trading subject to a pertinent approval for Admission by the CSE”.*

The terms “Net Proceeds” and “Secured Notes” in Paragraph 1 (“Definitions and interpretation”) under Section “Terms and Conditions of the Secured Notes” are supplemented with the following:

Net Proceeds	<i>means the proceeds of £1,252,000 received from investors who subscribed for the Secured Notes issued through the initial and second tranches, as well as the proceeds of up to £17,848,000 from Secured Notes to be issued, after deducting the costs of issuing the Secured Notes (which are expected to amount to approximately £28,000);</i>
Secured Notes	<i>means up to £19,100,000 8.5% Secured Notes due 2027, of which £1,252,000 have already been placed with qualified investors and issued by the Issuer through the initial and second tranches and will be admitted to the Corporate Bond Market of the CSE with the present Prospectus, subject to a pertinent approval for Admission by the CSE.</i>

Documents Available for Inspection

Section “Documents Available for Inspection” is supplemented with the following:

“During its period of validity, this Supplement to the Prospectus as approved by the Cyprus Securities and Exchange Commission, as well as the documents listed as 1 to 12 below, will be available free of charge:

- In electronic form, from 7 April 2020 on:
 - The website of the Underwriter responsible for Drawing up the Supplement to the Prospectus, Global Capital Securities and Financial Services Limited, www.globalcapital.com.cy/services/corporate-advisory; and
- In printed form, from 7 April 2020 at:
 - the Company’s registered office, 17 Pembroke Street Upper, Dublin 2, D02 AT22, Republic of Ireland, tel. no: +353 17755600, and
 - the offices of the legal advisers to the Issuer as to Cyprus Law, LLPO Law Firm, 15 Ayion Omologiton Avenue, 1080 Nicosia, Cyprus, tel. no: +357 22452600.

The information on the aforementioned website does not form part of the Supplement to the Prospectus and has not been scrutinised or approved by CySEC.

1. *The Issuer’s up to date memorandum and articles of association.*
2. *THC Limited’s memorandum and articles of association.*

3. *The financial information of the Issuer set out in the section of the Prospectus headed "FINANCIAL INFORMATION ON THE ISSUER".*
4. *The financial information of THC Limited set out in the section of the Prospectus headed "FINANCIAL INFORMATION ON THC Limited".*
5. *Directors Service Agreements.*
6. *The Trust Deed.*
7. *The Loan Agreement.*
8. *The Loan Variation Agreement March 2019.*
9. *The Security Agreement.*
10. *The Registrar Agreement.*
11. *The Loan Variation Agreement December 2019.*
12. *Warehousing Agreement".*

Declarations

Declaration by the Issuer and the Directors

This Supplement dated 7 April 2020 to the Prospectus of Tristone Healthcare Bond DAC dated 1st November 2019, is signed by the following directors of the Issuer. The Issuer and the Issuer's directors declare that having taken all reasonable care to ensure that such is the case, the information contained herein is to the best of their knowledge in accordance with the facts and makes no omission likely to affect its import:

Yannis Loucopoulos

Andrew Williamson

Ivano Cafolla

Phil Ledgard

Declaration of the Underwriter responsible for Drawing up the Supplement to the Prospectus.

This Supplement to the Prospectus is also signed by:

Global Capital Securities & Financial Services Limited, as underwriter responsible for the drawing up of the Supplement to the Prospectus, in accordance with the provisions of Prospectus Law, declares that having taken all reasonable care to ensure that such is the case, the information contained herein is to the best of its knowledge in accordance with the facts and that the Supplement to the Prospectus makes no omission likely to affect its import.

Global Capital Securities & Financial Services Limited