

PRESS RELEASE

**Spice Private Equity Ltd announces an amendment to its Investment Guidelines, as well as the receipt of a letter from GP Investments, Ltd. ("GP") providing Spice with a waiver on management and performance fees and with priority to invest in opportunities sourced by GP**

Zug, 5 July 2016 – Spice Private Equity Ltd. (the "Company", ticker symbol "SPCE") announces that its Board of Directors ("BoD") has approved an amendment to the Company's Investment Guidelines:

- Amendment to the Art. 1 of the Investment Guidelines of the Company, the Introduction, which now reads as follows:

*"The investment objective of Spice Private Equity Ltd (the "Company") and its subsidiary, Spice Private Equity (Bermuda) Ltd (the "Subsidiary") (together the "Group"), is to achieve long-term capital growth for shareholders by investing directly in companies ("Direct Investments") and in private equity specialized funds ("Fund Investments"). Direct Investments and Fund Investments may include investments in private equity and private equity related instruments and opportunistically in certain categories of credit products. Investments will typically be made through the Subsidiary. Net profits generated upon realizations will typically be re-invested. Within the limitations of the Company's purpose and investment principles as stated in its Articles of Association the Board of Directors of the Company ("BoD") may amend or supplement its investment guidelines."*

- Amendment to the Art. 2 of the Investment Guidelines of the Company, on the Asset Allocation, which is now valid as follows:

*"In keeping with the Company's core investment strategy, the Group's portfolio will primarily be invested in direct investments held alone or in conjunction with other private equity investors in privately held companies or in the acquisition of shares of publicly listed companies in transactions which will normally allow for the investor group to exercise significant influence over the management of the investees. The Group may also invest by way of primary or secondary transactions in funds managed by GP Investments, Ltd. ("GP") and occasionally in funds managed by third-party managers.*

*The Group expects to invest significant amounts of capital in each individual transaction and will therefore be expected to sustain a higher portfolio concentration than was evident in prior years. In the case of an investment in any blind pool fund or limited partnership of which GP or its affiliates is the General Partner, the Group's investment shall not represent more than 10% of such fund's aggregate committed capital.*

*Further, as long as there remains in effect an investment management agreement between GP Advisors Bermuda, Ltd. and Spice Bermuda Ltd, the Group shall not pay any additional management or performance fees to GP or affiliates of GP related to any investment made by the Group in respect of primary fund commitments where GP or an affiliate thereof also acts as the general partner or manager. Customary fees may, however, be payable in respect of secondary limited partnership interests in funds managed by GP or affiliates of GP which have been or may in the future be acquired from third parties in arm's length transactions."*

The Company also announces that it has received a letter from GP stating that (i) for as long as there remains in effect an investment management agreement between GP Advisors Bermuda, Ltd. and Spice Bermuda Ltd, the Group shall not pay any additional management or performance fees to GP or affiliates of GP related to any investment made by the Group in respect of primary fund commitments where GP or an affiliate thereof also acts as the general partner or manager. Customary fees may, however, be payable in respect of secondary limited partnership interests in fund managed by GP or affiliates of GP which have been or may in the future be acquired from third parties in arm's length transactions; and (ii) all investment opportunities that GP may identify to deploy its proprietary capital and that are suitable to the Group in accordance with the Company's Investment Guidelines and minimum cash, as approved by the Board of the Company, shall be primarily offered to the Group.

Finally, the Company announces that its Independent Directors have sent a letter to GP Advisors Bermuda, Ltd., after an internal discussion, asking to consider the elimination of the effect of the extinction of the Fortress' Put Option in the calculation of the performance fees due to GP Advisors under the current Investment Management Agreement.

In response, GP Advisors Bermuda, Ltd. exceptionally accepted the Independent Directors' consideration and agreed that it will eliminate the effect of the extinction of the Put Option to the calculation of the performance fee.

The updated Investment Guidelines are available on the company's website: ([www.spice-private-equity.com/userfiles/file/Download%20Center/Investment%20Guidelines/InvestmentGuidelines2016.pdf](http://www.spice-private-equity.com/userfiles/file/Download%20Center/Investment%20Guidelines/InvestmentGuidelines2016.pdf))

***For further information, please contact:***

Meton Morais

Investor & Media Relations

GP Advisors Ltd, Zurich

Phone: +41 44 578 50 50

Email: [investor.relations@spice-private-equity.com](mailto:investor.relations@spice-private-equity.com)

Web: [www.spice-private-equity.com](http://www.spice-private-equity.com)

**About Spice Private Equity Ltd**

Spice Private Equity Ltd is a Swiss investment company focused on private equity investments. Spice Private Equity Ltd has over a decade of operating history and is managed by GP Advisors part of the GP Investments Group. The company is listed on the SIX Swiss Exchange under the ticker symbol SPCE.

## **Disclaimer**

This ad hoc information contains forward-looking statements, which involve certain risks, uncertainties and changes that cannot be foreseen and are beyond Spice Private Equity Ltd's ability to control. Therefore, Spice Private Equity Ltd cannot provide any assurance with respect to the correctness of such forward-looking statements and their effects on the financial situation of Spice Private Equity Ltd or on the market in which the shares and other securities of Spice Private Equity Ltd are traded.

THIS MEDIA INFORMATION DOES NOT CONSTITUTE AN OFFER OR INVITATION TO SUBSCRIBE FOR OR PURCHASE ANY SECURITIES. IT IS NOT BEING ISSUED IN COUNTRIES WHERE THE DISSEMINATION OF THE INFORMATION CONTAINED HEREIN MAY BE RESTRICTED OR PROHIBITED BY LAW. IN PARTICULAR, THIS MEDIA INFORMATION IS NOT BEING ISSUED IN THE UNITED STATES OF AMERICA AND SHOULD NOT BE DISTRIBUTED TO U.S. PERSONS OR PUBLICATIONS WITH A GENERAL CIRCULATION IN THE UNITED STATES.

ANY NON-COMPLIANCE WITH SUCH RESTRICTIONS MAY RESULT IN AN INFRINGEMENT OF U.S. SECURITIES LAWS. SECURITIES OF SPICE PRIVATE EQUITY LTD ("COMPANY") ARE NOT BEING PUBLICLY OFFERED OUTSIDE OF SWITZERLAND. IN PARTICULAR, THE SECURITIES OF THE COMPANY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO U.S. PERSONS ABSENT THE REGISTRATION UNDER OR AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES LAWS. THIS DOCUMENT DOES NOT CONSTITUTE A PROSPECTUS ACCORDING TO ART. 652A OF THE SWISS CODE OF OBLIGATIONS OR ART. 27 ET SEQ. OF THE LISTING RULES OF SIX SWISS EXCHANGE.

This media information is for distribution in the United Kingdom only to (a) persons outside the United Kingdom; (b) those persons falling within the definition of Investment Professionals (as set forth in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the Order)) or within Article 43 (members and creditors of certain bodies corporate) or Article 49 (high net worth companies, unincorporated associations etc.) of the Order, or other persons to whom it may lawfully be communicated in accordance with the Order; or (c) any person to whom it may otherwise lawfully be communicated (such persons together being Relevant Persons). This media information is only available to Relevant Persons and the transaction contemplated herein will be available only to, or engaged in only with Relevant Persons, and this media information must not be acted on or relied upon by persons other than Relevant Persons.