

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or as to the action you should take, you should consult an independent professional adviser authorised under FSMA who specialises in advising on the acquisition of shares and other securities.**

This Document constitutes an AIM admission document relating to AssetCo plc (the “**Company**”) and has been drawn up in accordance with the AIM Rules for Companies. This Document does not contain an offer of transferable securities to the public in the United Kingdom within the meaning of section 102B of FSMA and is not required to be issued as a prospectus pursuant to section 85 of FSMA. Accordingly, this Document has not been drawn up in accordance with the Prospectus Regulation Rules and has not been approved by, or filed with, the FCA as competent authority for the purposes of the UK Prospectus Regulation or any other authority.

**AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the FCA. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this Document.**

The Existing Ordinary Shares are admitted to trading on AIM and application will be made in accordance with the AIM Rules for the Enlarged Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Enlarged Share Capital will commence on AIM at 8.00 a.m. on the third Business Day following the RMG Sanction Hearing. The Existing Ordinary Shares are not dealt in on any other recognised investment exchange and no application has been, or is intended to be, made for the Existing Ordinary Shares or the Enlarged Share Capital to be admitted to trading on any other such exchange. It is emphasised that no application is being made for the admission of the Enlarged Share Capital to the Official List.

The Directors and the Proposed Director, whose names appear on page 7 of this Document, and the Company accept responsibility, both individually and collectively, for the information contained in this Document and for compliance with the AIM Rules for Companies. To the best of the knowledge of the Directors, the Proposed Director and the Company, the information contained in this Document is in accordance with the facts and the Document makes no omission likely to affect its import.

**Shareholders should read the whole text of this Document and should be aware that an investment in the Company involves a high degree of risk. In particular, the attention of prospective investors is drawn to Part 2 of this Document which sets out certain risk factors relating to any investment in Ordinary Shares. All statements regarding the Company’s business, financial position and prospects should be viewed in light of these risk factors.**

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# AssetCo plc

(incorporated and registered in England and Wales with registered no. 04966347)

## Proposed acquisition of River and Mercantile Group PLC and Application for Admission of the Enlarged Share Capital to trading on AIM and Notice of General Meeting



*Nominated Adviser & Broker*

**Numis**

*Financial Adviser*

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Notice of the General Meeting, to be held at the offices of Gowling WLG (UK) LLP, 4 More London Riverside, London SE1 2AU at 11.15 a.m. on 13 April 2022 (or as soon thereafter as the Annual General Meeting convened for 11.00 a.m. on the same date shall have concluded or been adjourned), is set out at the end of this Document.

The General Meeting will be held in accordance with the UK Government guidelines and the requirements of the venue in relation to the Covid-19 pandemic in effect at the time of the General Meeting. The situation is constantly evolving, and the UK Government may change current guidance or implement new restrictions relating to the holding of general meetings during the affected period. The Company continues to closely monitor the situation and any changes to the arrangements for the General Meeting will be communicated to Shareholders before the General Meeting through its website ([www.assetco.com](http://www.assetco.com)) and, where appropriate, by RIS announcement.

Whether or not you intend to be present at the General Meeting, you are asked to complete and return your Form of Proxy in accordance with the instructions printed on it to the Company's Registrar, Computershare Investor Services plc at The Pavilions, Bridgwater Road, Bristol, BS13 8AE, as soon as possible and, in any event, so as to be received by no later than 11.15 a.m. on 11 April 2022 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

This Document does not constitute an offer of, or the solicitation of an offer to buy or subscribe for, Ordinary Shares to any person to whom, or in any jurisdiction in which, such offer or solicitation is unlawful and is not for distribution in or into any Restricted Jurisdiction. The Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or qualified for sale under the laws of any state of the United States of America or under any applicable securities laws of any Restricted Jurisdiction. Subject to certain exceptions, the Ordinary Shares may not be offered for sale or subscription, or sold or subscribed, directly or indirectly, within any Restricted Jurisdiction, or for the account or benefit of, any U.S. persons (as such term is defined in Regulation S under the Securities Act) or any national, resident or citizen of any other Restricted Jurisdiction.

**Arden Partners plc ("Arden"), which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to the Company in connection with the proposed admission of the Enlarged Share Capital to trading on AIM. Its responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company, the Directors or the Proposed Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this Document. Arden is acting exclusively for the Company and for no one else in connection with the proposed admission of the Enlarged Share Capital to trading on AIM. Arden will not regard any other person (whether or not a recipient of this Document) as its customer in relation to the proposed admission of the Enlarged Share Capital to trading on AIM and will not be responsible to any other person for providing the protections afforded to customers of Arden or for providing advice in relation to the proposed admission of the Enlarged Share Capital to trading on AIM or any transaction or arrangement referred to in this Document.**

**Numis Securities Limited ("Numis") which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as financial adviser to the Company and no one else in connection with the matters set out in this Document and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Numis nor for providing advice in relation to the matters set out in this Document. Neither Numis nor any of its affiliates owns or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Numis in connection with this Document, any statement contained in this Document or otherwise.**

The distribution of this Document in certain jurisdictions may be restricted by law. No action has been taken or will be taken by the Company, the Directors, the Proposed Director, Arden or Numis to permit a public offer of Ordinary Shares or to permit the possession or distribution of this Document in any jurisdiction where action for that purpose may be required. This Document may not be distributed in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Document comes are required by the Company, the Directors, the Proposed Director, Arden and Numis to inform themselves about and to observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of the relevant jurisdiction.

No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Directors, the Proposed Director, Arden or Numis. Without prejudice to the Company's obligations under the AIM Rules, the delivery of this Document shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this Document or that the information contained in this Document is correct as of any time subsequent to the date of this Document. Neither Arden or Numis has authorised the contents of this Document and, without limiting the statutory rights of any person to whom this Document is issued, no representation or warranty, express or implied, is made by Arden or Numis as to the contents of this Document and no responsibility or liability whatsoever is accepted by Arden or Numis for the accuracy of any information or opinions contained in this Document or for the omission of any material information from this Document, for which the Company, the Directors or the Proposed Director are solely responsible.

The contents of this Document are not to be construed as legal, business or tax advice. Shareholders should consult their own professional advisers for legal, financial or tax advice in relation to an investment or proposed investment in the Ordinary Shares.

Copies of this Document will be available free of charge to the public during normal business hours on any day (except Saturdays, Sundays and public holidays) from the date of this Document until the date which is one month after the date of Admission at the registered office of the Company and from the Company's website ([www.assetco.com](http://www.assetco.com)), except that this Document will not be available to residents in, and should not be forwarded or transmitted into any jurisdiction where doing so may constitute a violation of local securities law.

### **Forward-looking statements**

This Document contains statements that are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "anticipates", "believes", "could", "envisages", "estimates", "expects", "intends", "may", "plans", "projects", "should", "will" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. They appear in a number of places throughout this Document and include statements regarding the intentions, beliefs and current expectations of the Company, the Directors and the Proposed Director concerning, amongst other things, the results of operations, financial condition, liquidity, prospects, growth and strategies of the Enlarged Group and the industry in which the Enlarged Group operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The actual results, performance or achievements of the Enlarged Group or developments in the industry in which the Enlarged Group operates may differ materially from the future results, performance or achievements or industry developments expressed or implied by the forward-looking statements contained in this Document.

Prospective investors are strongly recommended to read the risk factors set out in Part 2 of this Document for a more complete discussion of the factors that could affect the Company's future performance and the industry in which the Company operates. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this Document may not occur.

The forward-looking statements contained in this Document speak only as at the date of this Document. The Company undertakes no obligation to update or revise publicly the forward-looking statements contained in this Document to reflect any change in expectations or to reflect events or circumstances occurring or arising after the date of this Document, except as required in order to comply with its legal and regulatory obligations (including under the AIM Rules).

### **No incorporation of website**

The contents of any website of the Company or any other person does not form part of this Document, unless stated to be incorporated by reference.

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## ADMISSION STATISTICS

Number of Existing Ordinary Shares	8,424,847
Number of New Ordinary Shares to be issued pursuant to the Acquisition <sup>(1)</sup>	6,005,227
Total number of Ordinary Shares in issue on Admission <sup>(2)</sup>	14,430,074
Expected market capitalisation of the Company on Admission <sup>(2)</sup>	£198.4 million
Percentage of the Enlarged Share Capital represented by the Existing Ordinary Shares <sup>(1)</sup>	58.38%
Percentage of the Enlarged Share Capital represented by the New Ordinary Shares <sup>(1)</sup>	41.62%
ISIN	GB00B42VYZ16
SEDOL code	B42VYZ1
TIDM	ASTO
LEI	213800LFMHKVNTZ7GV45

(1) The number of New Ordinary Shares to be issued pursuant to the Scheme has been calculated on the basis of the assumptions set out on page 6 of this Document.

(2) The market capitalisation of the Company on Admission is calculated using the mid-market closing price on 17 March 2022 and assuming 6,005,227 New Ordinary Shares are issued pursuant to the Acquisition

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	<b>2022</b>
Acquisition Announcement published	25 January
Date of this Document	18 March
Date of the RMG Meetings	1 April
Date of the General Meeting	13 April
Date of the RMG Sanction Hearing	A date expected to be during the second quarter of 2022, subject to the satisfaction (or, if applicable, waiver) of the Conditions (other than Conditions 1 and 2(c)) <b>(D)</b>
Effective Date of the Scheme	D + 2 Business Days
Admission expected to become effective and dealings expected to commence in the Enlarged Share Capital on AIM	At or soon after 8.00 a.m. on D + 3 Business Days
CREST accounts of RMG Scheme Shareholders credited with New Ordinary Shares	At or soon after 8.00 a.m. on D + 3 Business Days (but not later than 14 days after the Effective Date)

## BASES AND ASSUMPTIONS

All references in this Document are to London time unless otherwise stated. Dates and times given are indicative only and are based on the Company's and RMG's current expectations and may be subject to change. If any of the expected times and/or dates under the heading "Expected Timetable of Principal Events" above change, the revised times and/or dates will be notified to Shareholders by announcement through a RIS.

References in this Document to 24 January 2022 are to the last Business Day before the date of the Acquisition Announcement.

References in this Document to 4 March 2022 are to the last practicable Business Day prior to the date of the Scheme Document.

References in this Document to 17 March 2022 are to the last practicable Business Day prior to the date of this Document.

For the purpose of this Document, it is assumed that 6,005,227 New Ordinary Shares are to be issued pursuant to the Scheme. This has been calculated on the basis of:

- (a) a fully diluted issued share capital of 86,239,552 RMG Shares, which is based on the following assumptions: (i) 85,453,634 unconditionally allotted or issued and fully paid RMG Shares in issue; and (ii) any further RMG Shares which may be issued on or after the date of this Document on the exercise or options or vesting of awards under the RMG Share Plans (taking into account any adjustment as a result of the RMG Return of Capital). The number of such RMG Shares will depend on the date of completion of the Acquisition, the level of vesting and the level of exercise, which are not known as at the date of this Document. Therefore, this number of RMG Shares has been assumed to be in aggregate 785,918 RMG Shares. This is based on an assumed completion date of 31 May 2022 and assumptions on the level of vesting and exercise based on previous experience, discussions between AssetCo and RMG and discussions with the RMG Remuneration Committee. It also takes into account the 1,272,960 RMG Shares currently held in the RMG employee benefit trust; and
- (b) RMG Scheme Shareholders (which, for the avoidance of doubt, does not include the Company in its capacity as a holder of RMG Shares) at the Scheme Record Time being entitled to receive 0.07392 New AssetCo Shares in exchange for each RMG Share.

The final number of New Ordinary Shares to be issued pursuant to the Scheme will be announced in due course.

## DIRECTORS, COMPANY SECRETARY AND ADVISERS

<b>Directors</b>	Martin Gilbert ( <i>Chairman</i> ) Campbell Fleming ( <i>Chief Executive Officer</i> ) Peter McKellar ( <i>Deputy Chairman</i> ) Mark Butcher ( <i>Non-Executive Director</i> ) Christopher Mills ( <i>Non-Executive Director</i> ) Tudor Davies ( <i>Non-Executive Director</i> )
<b>Proposed Director</b>	Jonathan Dawson ( <i>Senior Independent Non-Executive Director</i> )
<b>Company Secretary</b>	Stephen Murphy
<b>Registered Office</b>	Singleton Court Business Park Wonastow Road Monmouth Monmouthshire NP25 5JA
<b>Registered Number</b>	04966347
<b>Nominated Adviser and Corporate Broker</b>	Arden Partners plc 125 Old Broad Street London EC2N 1AR
<b>Financial Adviser to the Company in respect of the Acquisition</b>	Numis Securities Limited 45 Gresham Street London EC2V 7BF
<b>Legal Adviser to the Company</b>	Gowlings WLG (UK) LLP 4 More London Riverside London SE1 2AU
<b>Legal Adviser to the Nominated Adviser</b>	BDB Pitmans LLP One Bartholomew Close London EC1A 7BL
<b>Auditor</b>	PricewaterhouseCoopers LLP 1 Kingsway Cardiff C10 3PW
<b>Reporting Accountant</b>	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
<b>Registrars and CREST Settlement Agent</b>	Computershare Investor Services plc The Pavilions Bridgwater Road Bristol BS13 8AE
<b>Financial PR</b>	Maitland/AMO 3 Pancras Square London N1C 4AG
<b>Website</b>	<a href="http://www.assetco.com">www.assetco.com</a>

## DEFINITIONS

The following definitions apply throughout this Document, unless the context otherwise requires:

<b>“Acquisition”</b>	the proposed acquisition by the Company of the entire issued, and to be issued, share capital of RMG not already beneficially owned by the Company to be effected by means of the Scheme or, in certain circumstances, by way of Takeover Offer
<b>“Acquisition Announcement”</b>	the announcement made by the Company and RMG on 25 January 2022 regarding the Acquisition and the Scheme and made pursuant to Rule 2.7 of the Code
<b>“Admission”</b>	the admission of the Enlarged Share Capital to trading on AIM becoming effective in accordance with the AIM Rules
<b>“Admission Agreement”</b>	the conditional agreement dated 18 March 2022 between the Company, the Directors, the Proposed Director and Arden relating to Admission and which is summarised in paragraph 13 of Part 6 of this Document
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange
<b>“AIM Rules for Companies” or “AIM Rules”</b>	the rules for companies whose securities are admitted to trading on AIM, as published by the London Stock Exchange from time to time
<b>“AIM Rules for Nominated Advisers”</b>	the rules setting out the eligibility requirements, ongoing obligations and certain disciplinary matters in relation to nominated advisers, as published by the London Stock Exchange from time to time
<b>“Annual General Meeting”</b>	the annual general meeting of the Company convened to be held on 13 April 2022
<b>“Annual Report”</b>	the audited annual report and accounts prepared by the Company for each financial year end
<b>“Appointed Representative Agreement”</b>	the agreement dated 25 March 2021 between the Company and Toscafund relating to the appointment of the Company by Toscafund as its appointed representative for the purposes of section 39 of FSMA and the Appointed Representative Regulations and which is summarised in paragraph 13 of Part 6 of this Document
<b>“Appointed Representative Regulations”</b>	the Financial Services and Markets Act 2000 (Appointed Representatives) Regulations 2001 (SI 2001/1217)
<b>“Arden”</b>	Arden Partners plc, nominated adviser to the Company
<b>“Articles of Association” or “Articles”</b>	the articles of association of the Company
<b>“AssetCo Concert Party”</b>	the Company, Harwood Capital LLP, Toscafund, Cadoc Ltd and Mark Butcher, being the Company and those persons deemed acting in concert with the Company who have an interest in RMG Shares
<b>“Audit Committee”</b>	the audit committee of the Board details of which are set out in Part 1 of this Document
<b>“AuM”</b>	assets under management



<b>“Board”</b>	the board of Directors of the Company
<b>“Business Day”</b>	a day, not being a public holiday, Saturday or Sunday, on which clearing bans in London area open for business
<b>“certificated” or “in certificated form”</b>	in relation to an Ordinary Share, recorded on the Company’s register as being held in certificated form (that is not in CREST)
<b>“Companies Act”</b>	the Companies Act 2006, as amended
<b>“Company” or “AssetCo”</b>	AssetCo plc
<b>“Conditions”</b>	the conditions to the implementation of the Acquisition as set out in the Acquisition Announcement and the Scheme Document
<b>“Court”</b>	the High Court of Justice in England and Wales
<b>“Court Meeting”</b>	the meeting of the RMG Scheme Voting Shareholders convened for 1 April 2022 at the direction of the Court pursuant to Part 26 of the Companies Act at which a resolution will be proposed to consider and, if thought fit, approve the Scheme
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act
<b>“CREST”</b>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations
<b>“CREST Regulations” or “Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time
<b>“D”</b>	a date expected to be during the second quarter of 2022, subject to the satisfaction (or, if applicable, waiver) of the Conditions (other than Conditions 1 and 2(c))
<b>“Directors”</b>	the directors of the Company whose names are set out on page 7 of this Document
<b>“Disclosure Committee”</b>	the disclosure committee of the Board details of which are set out in Part 1 of this Document
<b>“Disclosure Guidance and Transparency Rules”</b>	the disclosure guidance and transparency rules made by the FCA under Part 6 of FSMA
<b>“Document” or “Admission Document”</b>	this AIM admission document
<b>“Effective”</b>	the Scheme having become effective pursuant to its terms
<b>“Effective Date”</b>	the date upon which the Scheme becomes Effective
<b>“Enlarged Group”</b>	the Company and its subsidiaries (including RMG) on Admission
<b>“Enlarged Share Capital”</b>	the Existing Ordinary Shares and the New Ordinary Shares
<b>“ESG”</b>	environmental, social, governance
<b>“ETF”</b>	exchange traded fund
<b>“EU”</b>	the European Union

<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, the operator of CREST
<b>“Excluded Shares”</b>	any RMG Shares: (i) held by RMG in treasury or (ii) beneficially owned by the Company
<b>“Existing Ordinary Shares”</b>	the 8,424,847 Ordinary Shares that are in issue at the date of this Document
<b>“FCA”</b>	the UK Financial Conduct Authority and competent authority for the purposes of Part 6 of FSMA
<b>“FCA Condition”</b>	the condition set out in paragraph 3(g) of Appendix 1 to the Acquisition Announcement
<b>“Form of Proxy”</b>	the form of proxy accompanying this Document for use at the General Meeting
<b>“FSMA”</b>	the Financial Services and Markets Act 2000, as amended
<b>“GDPR”</b>	the UK version of the EU General Data Protection Regulation 2016/679, which came into force on 25 May 2018 and is part of UK law by virtue of the European Union (Withdrawal) Act 2018
<b>“General Meeting” or “GM”</b>	the general meeting of the Shareholders convened for 13 April 2022 notice of which is set out at the end of this Document
<b>“Group”</b>	the Company and its existing subsidiaries at the date of this Document
<b>“Harwood Capital”</b>	Harwood Capital Management Limited
<b>“Independent RMG Directors”</b>	the directors of RMG other than Martin Gilbert
<b>“Interim Statement”</b>	the unaudited interim report and accounts prepared by the Company six months after each financial year end
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“Long Stop Date”</b>	31 January 2023 or such later date as may be agreed between the Company and RMG and, if required, the Panel
<b>“LTIP”</b>	the annual bonus and long term incentive plan adopted by the Company details of which are set out in paragraph 10 of Part 6 of this Document
<b>“Main Market”</b>	London Stock Exchange’s main market for listed securities
<b>“Market Abuse Regulation”</b>	Regulation (EU) No 596/2014 of the European Parliament and of the Council on 16 April 2014 on market abuse as amended from time to time and incorporated into UK law
<b>“New Ordinary Shares”</b>	6,005,227 new Ordinary Shares to be issued pursuant to the Scheme calculated on the basis of the assumptions set out on page 6 of this Document
<b>“New Strategy”</b>	the business strategy of the Company details of which are set out in paragraph 4 of Part 1 of this Document
<b>“Nomination Committee”</b>	the nomination committee of the Board details of which are set out in Part 1 of this Document
<b>“Numis”</b>	Numis Securities Limited

<b>“Notice of General Meeting”</b>	the notice of General Meeting set out at the end of this Document
<b>“Official List”</b>	the official list maintained by the UK Listing Authority
<b>“Ordinary Shares”</b>	ordinary shares with a nominal value of £0.10 each in the capital of the Company
<b>“Parmenion”</b>	the business undertaken by Parmenion Capital Partners LLP
<b>“Proposed Director”</b>	Jonathan Dawson
<b>“Prospectus Regulation Rules”</b>	the prospectus regulation rules made by the FCA pursuant to section 73A of FSMA, as amended from time to time
<b>“QCA”</b>	the Quoted Companies Alliance
<b>“QCA Code”</b>	the QCA Corporate Governance Code issued by the QCA, as updated from time to time
<b>“RAMIL”</b>	River and Mercantile Investments Limited, the company that carried on the Solutions business in the UK and was sold by RMHL to Schrodgers pursuant to the terms of the Solutions Sale Agreement
<b>“Readmission Document”</b>	the admission document (within the meaning of the AIM Rules) published by the Company on 26 March 2021 in connection with the adoption of the New Strategy
<b>“Remuneration Committee”</b>	the remuneration committee of the Board details of which are set out in Part 1 of this Document
<b>“Revera”</b>	Revera Asset Management Limited
<b>“Resolutions”</b>	the ordinary resolutions to be voted on at the General Meeting as set out in the Notice of General Meeting
<b>“Restricted Jurisdiction”</b>	Australia, Canada, Japan, the Republic of South Africa or the United States of America
<b>“Return of Capital”</b>	the proposed return of £190 million in cash by RMG to RMG Shareholders on the terms and subject to the conditions set out in the RMG Return of Capital Circular
<b>“Return of Capital Condition”</b>	the condition set out in paragraph 3(c) of Appendix 1 to the Acquisition Announcement
<b>“RMHL”</b>	River and Mercantile Holdings Limited, a subsidiary of RMG
<b>“RIS”</b>	Regulatory Information Service
<b>“Rize ETF”</b>	Rize ETF Limited, a subsidiary of the Company
<b>“RMG” or “River and Mercantile”</b>	River and Mercantile Group PLC
<b>“RMG Board” or “RMG Directors”</b>	the directors of RMG
<b>“RMG General Meeting”</b>	the general meeting of RMG Shareholders convened for 1 April 2022 to consider and, if thought fit, pass the RMG Resolutions
<b>“RMG Group”</b>	RMG and its subsidiaries and subsidiary undertakings from time to time
<b>“RMG Meetings”</b>	the Court Meeting and the RMG General Meeting

<b>“RMG Resolution”</b>	the resolution to be proposed at the RMG General Meeting
<b>“RMG Return of Capital Circular”</b>	the circular dated 8 March 2022 sent by RMG to RMG Shareholders in connection with the Return of Capital
<b>“RMG Sanction Hearing”</b>	the hearing of the Court to sanction the Scheme
<b>“RMG Scheme Shareholders”</b>	holders of RMG Scheme Shares
<b>“RMG Scheme Shares”</b>	all RMG Shares in issue at the Scheme Record Time other than the Excluded Shares
<b>“RMG Scheme Voting Shareholders”</b>	holders of RMG Scheme Voting Shares
<b>“RMG Scheme Voting Shares”</b>	RMG Scheme Shares other than those beneficially owned or controlled by any member of the AssetCo Concert Party
<b>“RMG Shareholders”</b>	holders of RMG Shares
<b>“RMG Share Plans”</b>	the River and Mercantile Group PLC Deferred Equity Plan, the River and Mercantile Value Transformation Plan and the River and Mercantile Group PLC SAYE Scheme
<b>“RMG Shares”</b>	ordinary shares of £0.003 each in the capital of RMG and any further shares which are unconditionally allotted or issued before the Scheme becomes Effective
<b>“Saracen”</b>	Saracen Fund Managers Limited, a subsidiary of the Company
<b>“Scheme”</b>	the proposed scheme of arrangement under Part 26 of the Companies Act between RMG and the RMG Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by RMG and the Company
<b>“Scheme Document”</b>	the circular dated 8 March 2022 sent by RMG to RMG Scheme Shareholders containing, amongst other things, the Scheme and notices of the RMG Meetings
<b>“Scheme Record Time”</b>	6.00 p.m. on D + 1 Business Day
<b>“Schroders”</b>	Schroder International Holdings Limited, a wholly owned subsidiary of Schroders plc
<b>“Securities Act”</b>	the United States Securities Act of 1933, as amended
<b>“Shareholders”</b>	holders of Ordinary Shares
<b>“Solutions”</b>	the fiduciary management, advisory and derivatives business previously undertaken by the RMG Group in both the UK and the US
<b>“Solutions Sale Agreement”</b>	the sale and purchase agreement dated 26 October 2021 between RMHL, RMG and Schroders for the sale of the entire issued share capital of RAMIL and which is summarised in paragraph 13 of Part 6 of this Document
<b>“Takeover Code” or “Code”</b>	the City Code on Takeovers and Mergers issued by the Takeover Panel, as amended from time to time
<b>“Takeover Offer”</b>	should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of the Company to acquire the entire issued and to be issued share capital of

	RMG that is not already owned by any member of the Group on the terms and subject to the conditions to be set out in the related offer document and, where the context so admits, any subsequent revision, variation, extension or renewal of such takeover offer
<b>“Takeover Panel” or “Panel”</b>	the Panel on Takeovers and Mergers
<b>“Toscafund”</b>	Toscafund Asset Management Limited
<b>“Transitional Services Agreement” or “TSA”</b>	the transitional services agreement dated 31 January 2022 between RMHL and RAMIL under the terms of which RMHL will provide certain transitional services to RAMIL in respect of the Solutions business in the UK and which is summarised in paragraph 13 of Part 6 of this Document
<b>“United Kingdom” or “UK”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“US Solutions”</b>	RMG’s US Solutions business
<b>“US Solutions Sale”</b>	the sale by River and Mercantile US Holdings Limited, a wholly owned subsidiary of RMG to Agilis Holding Company LLC of US Solutions on the terms of the US Solutions Share Purchase Agreement
<b>“US Solutions Share Purchase Agreement”</b>	the share purchase agreement dated 25 January between River and Mercantile US Holdings Limited and Agilis Holdings Limited relating to the US Solutions Sale and which is summarised in paragraph 13 of Part 6 of this Document
<b>“United States”</b>	the United States of America, its territories and possessions
<b>“UK Prospectus Regulation”</b>	the UK version of the EU Regulation (EU) 2017/1129 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended and supplemented from time to time (including but, not limited to, by the UK Prospectus Amendment Regulations 2019 and the Financial Services and Markets Act 2000 (Prospectus) Regulations 2019))
<b>“uncertificated” or “in uncertificated form”</b>	in relation to an Ordinary Share, recorded on the Company’s register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
<b>“VAT”</b>	value added tax
<b>“£” or “sterling”</b>	UK pounds sterling, the lawful currency of the United Kingdom
<b>“\$” or “dollars”</b>	United States dollars

## PART 1

### INFORMATION ON THE ACQUISITION, THE SCHEME, THE COMPANY AND RIVER AND MERCANTILE

#### 1. INTRODUCTION

On 25 January 2022 the Board and the Independent RMG Directors announced that they had reached agreement on the terms and conditions of a recommended all share acquisition by the Company of the entire issued and to be issued ordinary share capital of River and Mercantile, other than RMG Shares already beneficially owned by the Company.

It is intended that the Acquisition will be implemented by way of a Court sanctioned scheme of arrangement under Part 26 of the Companies Act although in certain circumstances the Acquisition may be implemented by way of a Takeover Offer. It is currently anticipated that the Scheme will become Effective in the second quarter of 2022 and that, subject to the FCA Condition being satisfied, Admission in respect of the Enlarged Share Capital will also take place in the second quarter of 2022.

When announced the Acquisition was conditional *inter alia* upon RMG completing the sale of its Solutions business in the UK to Schroders. On 1 February 2022 RMG announced that this sale had duly completed. In addition on 25 January 2022 RMG announced that it had entered into a conditional agreement for the sale of its Solutions business in the US for a consideration of \$8.6 million (subject to adjustment based on net tangible assets at completion). This transaction constitutes a related party transaction for RMG and as such is conditional upon approval from the RMG Shareholders. It is anticipated that this transaction will complete in the second quarter of 2022.

The Acquisition is also conditional upon RMG returning to RMG Shareholders £190 million of the proceeds of the sale of its Solutions business in the UK. In that regard on 8 March 2022 RMG posted to RMG Shareholders the RMG Return of Capital Circular, which sets out details of how the Return of Capital is to be implemented and convenes a general meeting of RMG to be held on 1 April, at which RMG Shareholders will be asked to pass resolutions necessary for the implementation of the Return of Capital. It is anticipated that the Return of Capital will take place before the RMG Sanction Hearing but only after the FCA Condition has been satisfied or waived at which point, in respect of the Acquisition, the Return of Capital Condition will be satisfied. By virtue of its existing holding of 5 million RMG Shares it is anticipated that upon the Return of Capital occurring the Company will receive approximately £11 million.

The Acquisition constitutes a reverse takeover for the purposes of the AIM Rules and as such is conditional *inter alia* on approval by Shareholders of the Acquisition at the General Meeting and Shareholders voting in favour of the resolution giving the Directors necessary authorisation to issue and allot the New Ordinary Shares to be issued as consideration under the terms of the Acquisition. In this regard a Notice of General Meeting is set out at the end of this Document.

This Admission Document explains the background to and reasons for the Acquisition, explains why the Board considers the Acquisition to be in the best interests of the Company and Shareholders as a whole and why the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

The Scheme Document, containing details of the Acquisition and the Scheme, was posted to RMG Scheme Shareholders on 8 March 2022 and includes notices of the RMG Meetings. The Scheme Document explains why the Independent RMG Directors consider the terms of the Acquisition to be fair and reasonable and contains the unanimous recommendation of the Independent RMG Directors to RMG Voting Scheme Shareholders to vote in favour of the Scheme at the Court Meeting and RMG Shareholders to vote in favour of the RMG Resolution at the RMG General Meeting. The Independent RMG Directors and James Barham, RMG's former CEO have irrevocably undertaken to vote in favour of the Scheme at the Court Meeting and the RMG Resolution at the RMG General Meeting in respect of their own beneficial holdings of, in aggregate, 1,857,208 RMG Shares representing approximately 2.17 per cent. of RMG's issued share capital on 4 March 2022.

In addition to the irrevocable undertakings referred to above:

- the Company has received irrevocable undertakings to vote in favour of the Scheme at the RMG Court Meeting and the RMG Resolution at the RMG General Meeting ( or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of such Takeover Offer) from RMG Scheme Voting Shareholders in respect of a total of 28,586,635 RMG Scheme Voting Shares, representing in aggregate approximately 33.45 percent of RMG's issued share capital, and approximately 36.55 percent of the RMG Scheme Voting Shares, on 4 March 2022; and
- the Company received irrevocable undertakings from each member of the AssetCo Concert Party (other than AssetCo) to vote in favour of the Resolution at the RMG General Meeting (or, in the event that the Acquisition is implemented by a Takeover Offer, to accept or procure acceptance of such Takeover Offer) but, in accordance with their having consented not to vote at the Court Meeting in respect of any RMG Scheme Shares they hold, not to vote either in favour or against the Scheme at the Court Meeting, with such irrevocable undertakings representing, in aggregate, approximately 2.63 percent of RMG's issued share capital, and none of the RMC Scheme Voting Shares on 4 March 2022.

The Company has therefore received irrevocable undertakings in respect of a total of 32,692,185 RMG Shares, or a total of 30,443,843 RMG Scheme Voting Shares, representing, in aggregate, approximately 38.26 percent of RMG's issued ordinary share capital, and approximately 38.93 percent of the RMG Shares eligible to vote at the Court Meeting, on 4 March 2022.

In addition, as detailed in the paragraph entitled "Irrevocable Undertakings" below, the Directors and certain other Shareholders have undertaken to vote in favour of the Resolutions to be proposed at the Company's General Meeting in respect of 4,381,246 Ordinary Shares representing, in aggregate, approximately 52.00 per cent. of the Company's issued share capital on 4 March 2022.

## **2. SUMMARY OF THE TERMS OF THE ACQUISITION AND THE SCHEME**

Under the terms of the Scheme, which is subject to the Conditions and the full terms and conditions set out in the Scheme Document, RMG Scheme Shareholders will be entitled to receive:

### **0.07392 New Ordinary Shares for each RMG Scheme Share**

Currently it is proposed the Acquisition is implemented by way of the Scheme. In certain circumstances the Company may determine to implement the Acquisition by way of a Takeover Offer.

Based on the closing price of 1,550 pence per Ordinary Share on 24 January 2022 the Acquisition valued each RMG Share at 114.6 pence and RMG's entire issued and to be issued ordinary share capital at approximately £98.8 million. As at that date the Acquisition and the Return of Capital, taken together, valued each RMG Share at approximately 334.9 pence and RMG's entire issued and to be issued ordinary share capital at approximately £289 million.

Based on the closing price of 1,375 pence per Ordinary Share on 17 March 2022 the Acquisition valued each RMG Share at 101.6 pence and RMG's entire issued and to be issued ordinary share capital at approximately £87.7 million. As at that date the Acquisition and the Return of Capital, taken together, valued each RMG Share at approximately 322.0 pence and RMG's entire issued and to be issued ordinary share capital at approximately £278 million.

Based on the closing price of 1,700 pence per Ordinary Share on 22 November 2021 (being the Business Day before the announcement by RMG of a possible offer from the Company) the Acquisition valued each RMG Share at 125.7 pence and RMG's entire issued share capital at approximately £108.4 million. As at that date the Acquisition and the Return of Capital, taken together, valued each RMG Share at approximately 346.0 pence and RMG's entire issued and to be issued share capital at approximately £298 million.

The New Ordinary Shares will be allotted and issued credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares in issue at the time the New Ordinary Shares are issued pursuant to the Acquisition.

The Acquisition is subject to the satisfaction of the Conditions and will only become Effective if, among other things, the following events occur on or before the Long Stop Date:

- a resolution to approve the Scheme is passed by a majority in number of the RMG Scheme Voting Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing 75 per cent. or more of each class of the RMG Scheme Voting Shares held by those RMG Scheme Voting Shareholders;
- the RMG Resolution is passed by RMG Shareholders at the RMG General Meeting;
- the Resolutions are passed at the Company's General Meeting;
- following the RMG Meetings, the Scheme is sanctioned by the Court (without modification, or with modification on terms agreed by the Company and RMG);
- following such sanction, an office copy of the Court Order is delivered to the Registrar of Companies; and
- Admission occurs.

The RMG Shares owned or controlled by the AssetCo Concert Party (other than the Company, whose RMG Shares are not RMG Scheme Shares), being 2,248,342 RMG Shares are not RMG Scheme Voting Shares. Each member of the AssetCo Concert Party (other than the Company) will consent not to vote such RMG Scheme Shares at the Court Meeting but will, together with the Company in respect of the RMG Shares it holds, be permitted to vote such RMG Scheme Shares at the RMG General Meeting and the Return of Capital General Meeting. Upon the Scheme becoming Effective, the RMG Shares owned or controlled by each member of the AssetCo Concert Party (other than the Company) will be acquired by the Company under the terms of the Scheme.

Further details of the Scheme, including the times and dates for each of the Court Meeting and the RMG General Meeting, together with notices of the Court Meeting and the RMG General Meeting are set out in the Scheme Document sent to RMG Shareholders on 8 March 2022.

### **3. BACKGROUND TO AND REASONS FOR THE ACQUISITION**

On 15 April 2021 Shareholders approved a New Strategy for the Company details of which are set out below under the heading "Information on the Company and the new management team".

The Directors believe that the Acquisition is consistent with the New Strategy and will accelerate the generation of significant value creation for the Enlarged Group, its clients, employees and Shareholders. Particularly:

#### ***Creation of a platform to building a best-in-class active equities business.***

- the Directors believe in the attractiveness of high conviction, active equities strategies as a key component of an investor's portfolio;
- it is currently intended that RMG, together with the Company's existing active equities asset manager, Saracen, will form the foundation for the Company's active equities business, leveraging the investment expertise of both businesses to deliver best-in-class strategies and performance to investors;
- RMG brings a well respected equities team which has produced excellent long-term outcomes for clients investing in UK, European and global equities, with a highly regarded specialist infrastructure team and a strong distribution platform;
- the Directors believe that RMG's strong credentials in ESG/sustainable strategies (including the imminent launch of RMG's sustainable "Potential, Value, Timing" range) will be a key source of anticipated growth in the Enlarged Group's active equities business and an important driver of net inflows;
- the Directors believe that the combined expertise of the Company and RMG is likely to provide a strong pipeline of new and attractive strategy launches;



### ***Seed strategy for the Company's private markets business***

- it is intended that RMG's new sustainable infrastructure investment strategy will form the first, and very important, building block in the Enlarged Group's private markets capabilities;
- the Company can bring significant private markets experience to bear in order to address investor needs with experienced and proven leadership;
- the Directors believe that the Company's deep knowledge and understanding of private markets and its connectivity to that investment community should enhance the growth of RMG's infrastructure business, which will be an integral component of the Enlarged Group's overall private markets activities;

### ***Leveraging other companies in the Enlarged Group***

- the Directors believe that there is material value in leveraging other elements of the Company's business and strategy to increase the value of RMG through wider investor appeal, through the way strategies are distributed or the form in which they are delivered. For example, the Directors believe that the Company offers RMG the opportunity to move some of its strategies into ETFs and enhance its distribution, both in the UK and offshore, through the extensive relationships the Company and its management have with the world's leading asset allocators;

### ***Considered and effective rationalisation of costs***

- following completion of the sale of its Solutions business there will be a need to right size the RMG business for a significant reduction in scale;
- the Directors believe the Acquisition will enable the acceleration of cost savings by extracting the stranded costs arising as a consequence of the sale of the Solutions business;
- the Company's ambitious growth strategy requires investment in functions and capabilities over time. It is anticipated that certain functions and capabilities of RMG will bolster the overall capabilities of the Enlarged Group;
- the Company's management team has significant expertise in building, rationalising and optimising asset management businesses;

### ***Accelerated growth underpinned by strong industry expertise***

- RMG will benefit from the expertise of the Company's strong management team, who have made significant progress in advancing the New Strategy and delivering on its ambition to develop an agile asset and wealth management group; and
- the Company's management team has the capabilities and experience to accelerate the growth of RMG's asset management strategies, while advancing a strong pipeline of accretive acquisition opportunities.

## **4. INFORMATION ON THE COMPANY AND THE MANAGEMENT TEAM**

On 11 January 2021, the Company announced that Martin Gilbert, Peter McKellar, funds managed by Toscafund and various associates had, in aggregate, acquired a minority stake of 29.8 per cent. of the issued share capital of the Company. At this point in time the Company's strategy was focused on the provision of fire and rescue emergency services in the Middle East. Following the loss of its key contract in Abu Dhabi in October 2018, the Company had scaled back such activities and these activities have now ceased.

At a Shareholders' meeting held on 15 April 2021 Shareholders approved the New Strategy of acquiring, managing and operating asset and wealth management activities and interests, together with other related services. The Company's strategy principally focuses on making strategic acquisitions and building organic activities in areas of the asset and wealth management sector where structural shifts have the potential to deliver exceptional growth opportunities. This could include strategic acquisitions of undervalued asset and wealth management businesses where active management can unlock value.

The Company has assembled a management team with a long history in asset and wealth management. In early 2021, Martin Gilbert became Chairman and Peter McKellar became Deputy Chairman and CEO. Martin co-founded Aberdeen Asset Management in 1983 which under his stewardship grew to become one of the world's leading independent asset managers with £308 billion of AuM. In 2017 Aberdeen merged with Standard Life, which at the time of the merger became the largest UK-based asset management company. In September 2020, Peter McKellar retired as executive chairman and global head of private markets for Standard Life Aberdeen, where he oversaw investments totalling £55 billion of AuM.

In October 2021, Campbell Fleming joined the Board as CEO. Campbell was previously global head of distribution and marketing at Standard Life Aberdeen and, prior to that, chief executive-EMEA and global chief operating officer at Columbia Threadneedle. In addition, below board level, the Company has made a number of appointments of experienced individuals to enhance its distribution and corporate capabilities.

## **5. IMPLEMENTATION OF THE NEW STRATEGY**

To date, the Company has made four strategic investments as part of its overall strategy to develop an agile asset and wealth management company that meets the needs of investors in the 21st century: its initial investment in RMG, an investment in Parmenion (a leading discretionary investment manager and advisory platform for the wealth and financial planning sector), the acquisition of Rize ETF (believed to be Europe's first specialist thematic ETF issuer and one of the fast growing providers of ETFs in the rapidly growing thematic ETF segment of the asset management industry) and the acquisition of Saracen (a small fund management firm which serves as a platform to grow high conviction, high alpha, niche equity strategies where the Company sees significant growth potential). As announced on 28 February 2022 the Company has also exchanged contracts in respect of the acquisition of Revera, an independent fund management business based in Edinburgh. The Company also has a strong pipeline of complementary opportunities, at varying stages of progress, that Directors believe would further accelerate the growth strategy and be highly accretive to the Enlarged Group.

The Directors believe that the acquisitions completed to date, the Company's buy-and-build strategy and their approach to building organic activities are consistent with a new approach to asset management, being unbridled by legacy constraints and ways of doing things, and tapping into the new, emerging trends in the way the next generation of investors choose to allocate their capital. Shareholders have been supportive of this acquisition strategy, most recently supporting a £25 million capital raise in July 2021 to partially fund the acquisitions of Parmenion and Rize ETF.

The Ordinary Shares are currently traded on AIM. At this stage in the development of the Company and the implementation of the New Strategy an AIM quotation has benefits in terms of process, competitiveness and execution efficiency. Accordingly, the Company intends to remain quoted on AIM for the time being although at an appropriate time in the future would consider the merits of a move to the Main Market.

## **6. REGULATION**

The Company operates in a regulated environment, with the main framework for the regulation of asset management businesses being FSMA. FSMA regulates the provision of financial services, including investment services, in the UK through the concept of regulated activities, which may only be carried out by persons who hold appropriate authorisations. To date, in implementing the New Strategy, the Company has acquired or made investments in entities that are themselves authorised or (in the case of Rize ETF) are appointed representatives of an authorised person. In doing so the Company has sought and been granted relevant "change of controller" approvals by the FCA. The Company intends to continue to act as a holding company that does not itself carry on any regulated activities and thereby require authorisation under FSMA. Notwithstanding this, the Company currently intends to maintain the arrangement with Toscafund (pursuant to the terms of the Appointed Representative Agreement), whereby the Company has been appointed as an appointed representative of Toscafund in accordance with section 39 of FSMA and the Appointed Representative Regulations. The Board will continue to review the regulatory status of the Company, including whether or not the Company itself should become authorised.

## **7. MARKET OPPORTUNITY**

The Board believes there is a significant opportunity for the New Strategy. The global asset and wealth management sector is estimated to have around \$119.5 trillion in AuM. While the industry has seen material growth in AuM in recent decades, supported by rising financial markets, global macroeconomic growth and an increasing population of savers, it is also having to contend with significant structural shifts. These structural shifts include:

- a lower return environment for investments due to interest rate dynamics;
- shifts to more passive investment products (such as EFTs) in traditional public markets and to private markets asset classes that can offer diversification and potentially higher returns;
- a reorientation from institutional to individual investors, as individuals have to take more responsibility for their financial future;
- a continuing drive by investors and regulators for lower fees and to ensure “value for money”;
- increasing regulation and the cost thereof;
- an increasing use of technology and a drive for digitalisation, particularly in consumer facing segments;
- a greater focus on environmental, social and governance aspects and the nature of underlying investments; and
- an ongoing and increasing polarisation of the industry, including a consolidation among larger and medium sized asset managers, driven by economies of scale, and the growth of smaller boutiques in specialist asset classes.

The Directors believe that the changes being driven by these structural shifts offer significant opportunities to make investments, and to manage and grow businesses, in the asset and wealth management sector. In particular, the Directors believe that a material business can be built through investing in, and managing, investment capabilities in faster growing segments of the market. These segments are often specialist in nature and the Directors believe they would benefit from the capital and management experience that the Company could provide. Opportunities also exist to reposition and unlock value from existing asset and wealth management businesses that have not adjusted their business models for the above structural shifts. It is anticipated that the strategic investments made by the Company could include owning minority, joint venture, majority and wholly owned interests in various asset and wealth management businesses.

## **8. INFORMATION ON RMG**

On 25 January 2022 RMG announced that it had exchanged contracts for the sale of its US Solutions business and on 1 February 2022 RMG announced the completion of the sale of its UK Solutions business to Schroders. Following these transactions the business of RMG will comprise solely its asset management business, which is focused on delivering a range of active management strategies to institutional and wholesale investors in the UK, Europe, Australia, New Zealand and the US.

The RMG asset management business comprises established and well respected equities teams based in the UK and US, offering investors exposure to UK, European, emerging markets and global equities. The UK based team utilises an investment process known as “Potential, Value, Timing” – which has produced excellent long-term outcomes for clients investing in UK, European and global equities. In addition to the existing equities business, RMG intends to launch a range of products that will meet European Sustainable Finance Directive Regulations.

RMG has also recently developed an infrastructure investment team which is based in the UK, following recruitment of a specialist team from Aviva. The team operates in specialist sustainable infrastructure markets in the UK and has a strong track record in delivering stable and attractive returns since 2011 and RMG anticipates that it will shortly launch the RMG Infrastructure Fund.

As at 31 December 2021, the latest adjusted AuM for RMG’s asset management business was approximately £4.2 billion. The annualised management fee revenues associated with these AuM are approximately £20.8 million. In addition, on 15 February 2022, RMG announced that it had received notice from a client of its equities asset management business of the client’s intention to redeem approximately £927 million of assets managed by RMG across several global equity strategies. The assets to be redeemed represent annualised revenue to RMG of approximately £2.8 million.

As announced by RMG on 8 February 2022, portfolio manager Dan Hanbury notified RMG of his intention to resign as a partner and portfolio manager. Dan Hanbury is to be succeeded by George Ensor to manage the ES River and Mercantile UK Equity Smaller Companies Fund and by Matt Hudson, who joined RMG at the end of February 2022, and will manage the ES River and Mercantile UK Equity Income Fund.

## 9. SUMMARY FINANCIAL INFORMATION

The following summary financial information has been derived from the audited consolidated historical financial information of the Company for the three years ended 30 September 2021, contained in Part 3 “Financial Information of the Company” of this Document:

	FY21	FY20	FY19
Revenue (£m)	0.4	—	5.3
Operating profit (£m)	14.3	3.4	(0.7)
Profit/(loss) for the year (£m)	14.7	3.4	(0.8)
Earnings Per Share (pence)	180.57	27.52	(6.25)
Cash and cash equivalents (£m)	26.9	27.9	17.1
Cash held in respect of bonds (£m)	—	1.1	3.5

The audited consolidated historical financial information for RMG for the three years ended 30 June 2021 is contained in Part 4 “Financial Information of River and Mercantile” of this Document. There have been a number of wholesale changes that have occurred in RMG’s business since 30 June 2021, including the sale of the Solutions business and the proposed Return of Capital, and therefore the attention of Shareholders is drawn to the commentary on RMG’s current trading and prospects set out under the heading “Current trading and prospects” below.

Also set out in Part 5 of this Document is unaudited pro-forma financial information of the Enlarged Group.

## 10. CURRENT TRADING AND PROSPECTS

### 10.1. The Group

The results for the year ended 30 September 2021, announced on 18 February 2022 bear witness to the fact that it was a transformational year for the Company. In October 2020, the Company successfully concluded litigation against Grant Thornton, which enabled it to return £26.9 million to Shareholders by way of a tender offer. In January 2021, the Company welcomed an investor group consisting of Martin Gilbert, funds managed by Toscafund, Peter McKellar and various associates who acquired 29.8 per cent. of the issued share capital of the Company. This was followed by the Company making its initial investment in RMG, acquiring its shareholding in RMG and the adoption of the New Strategy. Pursuant to the New Strategy the Company then acquired Saracen, Rize ETF and made its investment in Parmenion. It also, in July 2021, undertook a £25 million capital raise at a price of 1,450 pence per placing share. Mainly due to the successful conclusion of the litigation against Grant Thornton the Company was able to report a profit before taxation of £16.1 million in respect of the year ended 30 September 2021.

Since the year end the Group has made considerable progress. Specifically:

- Saracen – the investment team has been strengthened by the appointment of an additional fund manager;
- Rize ETF – the Directors believe there is enormous growth potential in ETF’s and particularly thematic ETF’s. Currently Rize ETF offers eight (with two, Rize Pet Care and Rize Emerging Market Internet and Ecommerce, being recently launched) thematic strategies with a combined AuM of \$478 million, with approximately \$450 million of net inflows being achieved in 2021. Importantly, all eight of Rize ETF’s thematic ETF’s have a Sustainable Finance Disclosure Regulation (SFDR) rating of 8 or 9. Rize ETF has a strong pipeline of anticipated launches in 2022 and 2023, underpinned by a focused research ethos and an approach to the development of new investment strategies that leverages the best experts in an industry in each of the relevant themes; and
- Parmenion – Parmenion is benefitting from the digital transformation taking place within the asset and wealth management industry. Through a combination of proprietary technology, the extensive knowledge and experience of its management team and a commitment to understanding and responding to the needs of its clients, Parmenion has, since 2016, consistently achieved a top two position in the Platform adviser rankings across all UK platforms. This is a reflection of Parmenion’s client focused approach which has driven the strong organic growth of Parmenion, significantly ahead of overall growth in the B2B platform market, with AUM reaching £9.3 billion at the end of February 2022.

- Recent initiatives, including the broadening of its centralised investment proposition and the launch of its Affinity programme, have increased the revenue opportunity for Parmenion and should facilitate continued strong organic growth.

In addition, the Company continues to explore a strong pipeline of acquisition opportunities consistent with the New Strategy.

## **10.2. Acquisition of Revera**

As announced by the Company on 28 February 2022, the Company has exchanged contracts in relation to the acquisition of the entire issued share capital of Revera, an independent fund management business based in Edinburgh. The consideration payable is £2.75 million to be satisfied as to £822,323 by the issue, credited as fully paid, of 54,639 new Ordinary Shares and as to £1.92 million in cash, payable on completion. Completion of the acquisition of Revera is conditional on FCA approval of the change of control and admission of the new Ordinary Shares being issued as consideration to trading on AIM. It is currently anticipated that completion will occur by the end of June 2022.

Revera was founded in 2003 and has two funds which are operated on the Smith & Williamson platform: S&W Revera UK Dynamic Fund (£108 million AuM) and the Skye Trust (£10 million AuM). Revera's offices are in Rutland Square, Edinburgh and Revera has three full time and two part time employees. In respect of its financial year ended 31 December 2020 Revera generated profit after taxation of £63,452 from a turnover of £782,161. As at 31 December 2020 Revera had net assets of £548,872 and a net cash balance of £539,135.

Following completion of the acquisition of Revera it is intended that Revera will work alongside Saracen. The Board believes that there exist significant opportunities to enhance the distribution and appeal of Revera's principal funds and to widen the funds offered by Revera and Saracen to include immediate adjacencies.

## **10.3. RMG**

On 25 January 2022 RMG published a trading update in respect of the six month period ended 30 December 2021. In respect of RMG's asset management business this update highlighted:

- strong growth in the wholesale business, offset by negative net flows in institutional;
- wholesale business saw growth in AuM across a range of funds including the new European strategy and the UK Smaller Companies strategy, growing by 285 per cent. and 17 per cent. to £236 million and £659 million respectively;
- in institutional, changes to allocation driven by the new reference benchmarks implemented by the Australian regulator resulted in the exiting of some mandates in this market, leading to £847 million of net outflows during the period; and
- total closing AuM in respect of the period was £4.2 billion (up 4.9 per cent. over the period).

It should be noted that the above figures may have been impacted by recent market volatility since the date of the publication of the trading update.

On 15 February 2022 RMG announced that it had received notice from a client of its institutional asset management business of the client's intention to redeem approximately £927 million of assets which, in terms of annualised revenue to RMG, represents £2.8 million.

The business of RMG is undergoing a significant transition, including the right sizing of its cost base post completion of the sale of the Solutions business, which will leave it as a specialist asset management business focused on two key areas: listed equities and infrastructure. RMG's management under the leadership of Alex Hooctor-Duncan, who was appointed CEO of RMG on 1 February 2022, intends to build on these existing capabilities and add teams and new product areas where appropriate.

## **11. BOARD OF DIRECTORS, PROPOSED DIRECTOR AND SENIOR MANAGEMENT**

### **11.1. Board of Directors**

#### **Martin James Gilbert – Chairman (aged 66)**

Martin Gilbert has a long history in asset and wealth management. He co-founded Aberdeen Asset Management PLC in 1983 and was chief executive officer from 1991 to 2017. During that period Aberdeen Asset Management PLC grew, through a combination of organic growth and strategic acquisitions, to become one of the world's leading independent asset managers with £308 billion of AuM. In 2017 Aberdeen Asset Management PLC merged with Standard Life plc, to become Standard Life Aberdeen plc. On merging, Standard Life Aberdeen plc was the biggest UK-based asset management company and the second biggest in Europe. Martin was co-chief executive officer and subsequently vice chairman until he retired from Standard Life Aberdeen plc in September 2020. Martin is chairman of Revolut Ltd and Toscafund, deputy chairman of River and Mercantile and senior independent director of Glencore plc, alongside a number of other directorships.

#### **Campbell David Fleming – Chief Executive Officer (aged 57)**

Campbell Fleming was appointed to the Board with effect from 2 October 2021. Campbell has worked in the investment industry since the 1990's. He was global head of distribution and marketing at Standard Life Aberdeen until September 2021. Before joining Aberdeen Asset Management in August 2016, Campbell was chief executive – EMEA and global chief operating officer at Columbia Threadneedle Investments, having joined that firm as global head of distribution in November 2009. Prior to this, Campbell was head of UK for JP Morgan Asset Management. He trained as a barrister in Australia before moving to the UK in 1995. He also chairs The Big Exchange.

#### **Peter Archibald McKellar – Deputy Chairman (aged 56)**

Peter McKellar has spent nearly all of his working career in private markets, in particular private equity and infrastructure investment management and direct operating management. He retired in September 2020 as executive chairman and global head of private markets for Standard Life Aberdeen plc, where he oversaw investment management activities across private equity, infrastructure, real estate, natural resources, and certain private credit capabilities, totalling £55 billion of AuM. Peter is a non-executive director of 3i Group PLC and a board member of Scottish Enterprise.

#### **Tudor Griffith Davies – non-executive Director (aged 70)**

Tudor Davies was appointed to the Board in March 2011 and is an experienced chairman, executive and non-executive director, and formerly a partner with Arthur Young (a predecessor firm of Ernst & Young LLP) specialising in corporate finance and recovery. He was previously chairman of Dowding & Mills plc and subsequently appointed to the board of Castle Support Services Plc, chairman of Stratagem Group PLC, chairman and chief executive of Hicking Pentecost PLC, and a non-executive director of Scottish Highland Hotels plc.

#### **Alexander Mark Butcher – non-executive Director (aged 63)**

Appointed to the Board in October 2012, Mark's previous directorships include Autologic Holdings plc, Newbury Racecourse PLC, Nationwide Accident Repair Services plc, and, as an investment manager, GPG (UK) Holdings plc, which was the UK investment arm of Guinness Peat Group plc. He currently sits on the boards of Redde Northgate plc, National Milk Records PLC, East Balkan Properties plc and Zytronic PLC as a non-executive director. Pending the appointment of Jonathan Dawson to the Board, Mark Butcher is the only independent Director for the purposes of the QCA Code.

#### **Christopher Harwood Bernard Mills – non-executive Director (aged 69)**

Appointed to the Board in March 2011, Christopher is chief executive officer of Harwood Capital and chief executive and investment manager of North Atlantic Smaller Companies Investment Trust PLC.

### **11.2. Proposed Director**

Conditional upon completion of the Acquisition Jonathan Dawson has agreed to join the Board as senior independent non-executive Director.

### **Jonathan Donald Sherlock Dawson – Senior independent non-executive Director (aged 70)**

Jonathan Dawson is a graduate of the universities of St Andrews and Cambridge. Jonathan started his career in the Ministry of Defence before joining Lazard, the investment bank, where he spent over 20 years. He left Lazard in 2005 and co-founded Penfida Limited, the leading independent corporate finance adviser to pension fund trustees. Jonathan previously served as senior non-executive director and chair of the remuneration committee of Next plc. Other previous appointments include, non-executive directorships of Galliford Try plc, National Australia Group Europe Limited and Standard Life Investments (Holdings) Limited. Jonathan also served as senior independent director of Jardine Lloyd Thompson Group plc and he currently serves as non-executive director of National Grid plc and is chairman of Penfida Limited. Jonathan is the current chairman of River and Mercantile.

In addition to the appointment of Jonathan Dawson, the Board intends to appoint a full time chief financial officer to the Board within six months of Admission.

### **11.3. Senior management**

The Company has, below Board level, established a senior management team with considerable relevant experience. This team comprises the following individuals:

#### **Gordon Neilly – Head of Strategy**

Gordon joined the Company in July 2021. He was previously chief of staff at Standard Life Aberdeen plc, prior to which he was global head of strategy at Aberdeen Standard Investments and was responsible for developing the groups strategy and overseeing its implementation, as well as overseeing all corporate activity of the group and its closed end fund business. Gordon joined Aberdeen Asset Management PLC from Cantor Fitzgerald Europe, where he held the position of joint CEO. Gordon is currently executive chairman Europe of Whitestar Asset Management and a non-executive director of Personal Assets Trust plc and Montanaro European Smaller Companies Trust PLC.

#### **Gary Collins – Head of Distribution**

Gary joined the Company as head of distribution in July 2021. He was previously head of distribution at Columbia Threadneedle Investments, running both the EMEA and Latin American distribution strategy and team. Gary joined Columbia Threadneedle in 2006 as head of UK retail/wholesale, having previously worked at Merrill Lynch Investment Management as director of UK wholesale.

#### **James Thorneley – Head of Communications**

James joined the Company as head of communications in May 2021. He was previously global head of media relations at Standard Life Aberdeen plc. James joined Aberdeen Asset Management PLC in 2000 and undertook a variety of roles covering communications and ultimately became head of corporate communication. Before joining Aberdeen Asset Management James was an award winning journalist at Investment Week.

#### **Stephen Murphy – Company Secretary and Group Financial Controller**

Stephen joined the Company in April 2021. He is an FCA with almost 35 years experience. After qualifying as a chartered accountant he spent two years in corporate finance with Touche Ross (finance raising and restructuring) before joining a highly acquisitive public company as financial controller. Since then he has served as finance director for both private and public companies, including an AIM IPO with ClearSpeed Technology plc. Most of Stephen's experience has revolved around the integration of acquired businesses and improving financial controls.

#### **Lucy Draper – Director – Distribution**

Lucy joined the Company as director – distribution in October 2021. She was previously director, business development – Middle East and Africa at Standard Life Aberdeen plc based in Abu Dhabi. Prior to this Lucy was a senior business development manager working in the UK, after a secondment to Asia leading the sales strategy with private banks in Hong Kong.

## Nicholas Heather – General Counsel

Nicholas joined the Company as general counsel in May 2021. Prior to that Nick served as a partner at Lawrence Graham and its successor firm Gowling WLG (UK) LLP for over 30 years where he specialised in public capital market and public and private mergers and acquisition transactions. He continues to act as a consultant to Gowling WLG (UK) LLP.

In addition, post completion of the Acquisition, it is likely that the senior management team will be further enhanced with individuals who are currently employed by RMG.

## 12. EMPLOYEES

As at 17 March 2022 the Group had a total of 36 employees including Directors. The headcount between the Company and each of its subsidiaries is as follows:

Entity/Activity	Headcount
Company	15
Rize ETF	14
Saracen	7
<b>Total</b>	<b>36</b>

As at 17 March 2022 the RMG Group had a total of 138 employees. The headcount is as follows:

Activity	Headcount
Corporate	37
Distribution	18
Equity and Equity Solutions	31
US Solutions	42
US Equity Solutions	3
Macro	2
R&M Infrastructure	5
<b>Total</b>	<b>138</b>

Accordingly, on Admission the Enlarged Group is expected to have 174 employees.

## 13. CORPORATE GOVERNANCE

AIM quoted companies are required to adopt a recognised corporate governance code, however, there is no prescribed corporate governance regime in the UK for AIM companies. The Directors recognise the importance of sound corporate governance commensurate with the size and nature of the Company and the interests of its Shareholders. The QCA has published the QCA Code, a set of corporate governance guidelines, which include a code of best practice, comprising principles intended as a minimum standard, and recommendations for reporting corporate governance matters. The Board intends to continue adhering to the QCA Code, insofar as it is applicable to the Company.

Immediately following Admission, the Board will comprise Martin Gilbert as Chairman, two executive Directors in Campbell Fleming and Peter McKellar, and four non-executive Directors in Tudor Davies, Mark Butcher, Christopher Mills and Jonathan Dawson. The Board considers that Mark Butcher and Jonathan Dawson will be independent Directors on the Board for the purposes of the QCA Code. Jonathan Dawson will be appointed as senior independent non-executive Director to deal with Shareholder related matters. It is also intended that Jonathan Dawson will join the Audit Committee, the Remuneration Committee and the Nomination Committee.

The Board is expected to meet at least six times a year to review, formulate and approve the Company's strategy, accounts, budget, corporate actions and to oversee the Company's progress towards its goals. It has established audit, remuneration, nomination and disclosure committees with formally delegated duties and responsibilities and with written terms of reference, as described below. From time to time, separate committees may be set up by the Board to consider specific issues when the need arises.



The Board has established the following committees:

### **Audit Committee**

The Audit Committee is responsible for monitoring the integrity of the Company's financial statements, reviewing significant financial reporting judgments, reviewing the effectiveness of the Company's internal control and risk management systems, and overseeing the relationship with the external auditors (including advising on their appointment, agreeing the scope of the audit and reviewing the audit findings).

The Audit Committee comprises the three current non-executive Directors and is chaired by Tudor Davies. The Audit Committee meets at least twice a year at appropriate times in the reporting and audit cycle and otherwise as required. The Audit Committee also meets regularly with the Company's external auditors.

### **Remuneration Committee**

The Remuneration Committee is responsible for determining and agreeing with the Board the framework for the remuneration of the Chairman, the executive Directors and other designated senior executives and, within the terms of the agreed framework, determining the total individual remuneration packages of such persons including, where appropriate, bonuses, incentive payments, or other share awards. The remuneration of non-executive Directors will be a matter for the Chairman and the executive Directors of the Board. No Director will be involved in any decision as to his or her own remuneration.

The Remuneration Committee comprises the three current non-executive Directors and is chaired by Christopher Mills. The Remuneration Committee will meet at least twice a year and otherwise as required.

### **Nomination Committee**

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board and identifying and nominating, for the approval of the Board, candidates to fill vacancies on the Board as and when they arise.

The Nomination Committee comprises the three current non-executive Directors and is chaired by Mark Butcher. The Nomination Committee will meet at least twice a year and otherwise as required.

### **Disclosure Committee**

The Disclosure Committee is responsible for determining whether information concerning the Company or its Ordinary Shares should be disclosed to the market and the timing of such disclosures.

The Disclosure Committee comprises Martin Gilbert, Campbell Fleming and Nicholas Heather, the Company's general counsel, and is chaired by Martin Gilbert. The Disclosure Committee has only recently been established and will meet on an ad hoc basis as necessary.

## **13.1. Compliance with the QCA Code**

The QCA Code requires the Company to apply its ten principles of corporate governance and publish certain disclosures in its annual report and also on its website ([www.assetco.com](http://www.assetco.com)). The Company's disclosures for each of the principles are detailed below.

### **1. *Establish a strategy and business model which promote long-term value for Shareholders***

The principal activities of the Company and its strategy are explained in paragraphs 4, 5 and 7 of Part 1 of this Document and will be reported on through the Strategic Report section of the Annual Report and in the Chairman's Statement in both the Annual Report and the Interim Statement. In addition, it is proposed that Jonathan Dawson as the senior independent non-executive Director will assist the Chairman and the CEO in respect of Shareholder related matters.

### **2. *Seek to understand and meet Shareholder needs and expectations***

The Company, through the Chairman and CEO, will have regular contact with its institutional Shareholders. The Board supports the principle that the annual general meeting will be used to communicate with private Shareholders and will encourage them to participate. In addition, the senior independent non-executive Director has been appointed to deal with Shareholder related matters.

**3. *Take into account wider stakeholder and social responsibilities and their implications for long-term success***

The Company is at an early stage in terms of the implementation of its New Strategy. As the Company grows and develops its business it will develop a new set of stakeholders (including its employees) and it is mindful of the need for wider stakeholder and social responsibilities to achieve long-term success.

In this regard the Company has adopted a number of policies (including modern slavery and anti-tax avoidance policies) and these are available on the Company's website at [www.assetco.com](http://www.assetco.com). In addition the Company has formally adopted policies in respect of ESG matters.

**4. *Embed effective risk management, considering both opportunities and threats, throughout the organisation***

The Board will consider regularly the risks relating to the Company's activities. Details of the principal risks facing the Company are set out in Part 2 of this Document "Risk Factors". Further details of the principal risks and uncertainties facing the Company will be set out in the Strategic Report section of the Annual Report each year.

**5. *Maintain the Board as a well-functioning balanced team led by the Chair***

The composition of the Board is considered to be appropriate in view of the small size and lack of complexity within the Company.

There are four Board committees. Details of the working of these committees are set out above.

**6. *Ensure that between them the Directors have the necessary up to date experience, skills and capabilities***

Individual Directors have a wide range of qualifications and expertise to bring to Board debates. Biographical details of the Directors and the Proposed Director are set out in paragraph 11 of Part 1 of this Document.

**7. *Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement***

It is the intention of the Board to put in place a formal evaluation process for all the Directors.

**8. *Promote a corporate culture that is based on ethical values and behaviours***

The Board, in developing the Company through the New Strategy, will promote a positive corporate culture, ideals and desired ethical behaviours within the Company, and communicate these across the business as its size increases.

**9. *Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board***

The Board is responsible for the Company's system of internal control and reviewing its effectiveness. The procedures for planning and monitoring the operational and financial performance of the Company, as well as its compliance with applicable laws and regulations, will be set out in the Directors' Report section of the Annual Report each year.

**10. *Communicate how the Company is governed and is performing by maintaining a dialogue with Shareholders and other relevant stakeholders***

The principal method of communicating the Company's corporate governance process and principles will be the Annual Report, which will be sent directly to all Shareholders (unless they specifically request only electronic communication), and will be made available to other stakeholders and the general public on the Company's website at [www.assetco.com](http://www.assetco.com). The annual general meeting also provides an opportunity for Shareholders to address corporate governance matters.

#### **14. ANNUAL BONUS AND LONG TERM INCENTIVE PLAN AND SHARE OPTION SCHEME**

Pursuant to the Shareholder approval given at the general meeting of the Company held on 15 April 2021, which approved the key terms of the LTIP (as set out in the Readmission Document) and authorised the Directors to do all acts and things they consider necessary or expedient to give effect to the LTIP, the Company formally adopted the LTIP on 9 September 2021.

Under the terms of the LTIP the Company will create a pool each year equivalent to 20 per cent. of the growth in total Shareholder value that is allocated to the executive Directors and senior management by the Remuneration Committee.

On 29 September 2021 the Company announced that in respect of the first performance period under the LTIP (8 January 2021 to 30 September 2021) awards had been made to Directors and persons discharging managerial responsibilities (“PDMRS”) as follows:

<b>PDMR</b>	<b>Position</b>	<b>Percentage allocation of total awards</b>
Martin Gilbert	Chairman	30%
Peter McKellar	Deputy Chairman and CEO	25%
Campbell Fleming	CEO elect	12%

At the same time it was also announced that all allocations, including those set out above, under the LTIP in respect of the first performance period would be satisfied in full by the issue of Ordinary Shares, as opposed to one third being satisfied in cash and two thirds being satisfied by the issue of Ordinary Shares.

It was contemplated that the allotment of the relevant Ordinary Shares in respect of the first performance period of the LTIP would be announced by the Company at the end of 2021. However, by virtue of the provisions of the Market Abuse Regulation, the Company has, notwithstanding the fact that the value of the award pool, individual awards and allocations have been determined, been unable to allot the relevant Ordinary Shares but, would propose to do so, as soon as is practicable given the provisions of the Market Abuse Regulation. The quantum, terms and form of LTIP in respect of future performance periods remains under ongoing review and amendment by the Remuneration Committee.

Further details of the LTIP, including the awards made in respect of the first performance period, are set out in paragraph 10 of Part 6 of this Document.

The Board intends to explore the various options that exist in terms of implementing a share option scheme for employees of the Enlarged Group generally to assist in the attraction and retention of employees.

#### **15. SHARE DEALING CODE**

The Company has adopted a share dealing code for Directors and applicable employees for the purpose of ensuring compliance by such persons with the provisions of the AIM Rules relating to dealings in the Company’s securities (including, in particular, Rule 21 of the AIM Rules). The Directors consider that this share dealing code is appropriate for a company whose shares are admitted to trading on AIM.

The Company will take proper steps to ensure compliance by the Directors and applicable employees with the terms of the share dealing code and the relevant provisions of the AIM Rules (including Rule 21 and applicable legislation relating to dealing policies).

#### **16. DIVIDEND POLICY**

Since the approval of the Company’s New Strategy the Directors have re-invested the Company’s earnings and the proceeds of the Grant Thornton litigation in the development and expansion of the business. Following the completion of the Acquisition, and the right-sizing of the RMG cost base, the Board intends to declare a dividend of 13.0p per Ordinary Share (before any “share split” as described below), to be paid sometime in Q4 2022. Thereafter, the Company intends to adopt a progressive dividend policy.

The declaration and payment of dividends and the quantum thereof will be dependent upon the Company’s financial condition, future prospects, cash requirements, levels of profits available for distribution, and any other factors regarded by the Board as relevant at the time.

## 17. SHARE AUTHORITY AND SHARE SPLIT

At the General Meeting an ordinary resolution will be proposed to grant the Directors necessary authority to issue the New Ordinary Shares pursuant to the Acquisition.

At the Annual General Meeting, convened to be held on the same date as the General Meeting, resolutions will be proposed to give the Directors additional share authorities including authority to issue up to 4,212,423 Ordinary Shares otherwise than to Shareholders on a pre-emptive basis. The Board believes that the proposed disapplication will enable the Company to raise cash to execute the New Strategy of making strategic acquisitions and developing the business, while widening and strengthening the Company's Shareholder base.

Given the rise in the Company's share price the Board intends, later this year, to instigate a sub-division of its Ordinary Shares on a basis to be determined. Such a sub-division would increase the number of Ordinary Shares in issue and the Board believes this would reduce the Company's share price to a level where smaller sized dealings in the Ordinary Shares would be more efficient. The Board also believes that a sub-division should improve the liquidity, spread and marketability of the Ordinary Shares to a wider group of investors. Any such sub-division would be implemented only after the Acquisition becomes Effective.

## 18. NOTICE OF GENERAL MEETING

You will find at the end of this Document the Notice of General Meeting. The General Meeting is to be held at 11.15 a.m. on 13 April 2022 (or as soon thereafter as the Annual General Meeting convened for 11.00 a.m. on the same date shall have concluded or been adjourned). At the General Meeting, the following Resolutions will be proposed:

- Resolution 1: to approve the Acquisition; and
- Resolution 2: to authorise the Directors to allot and issue Ordinary Shares and to exercise any power of the Company to allot Ordinary Shares in the capital of the Company or grant rights to subscribe for or to convert any security into Ordinary Shares up to an aggregate nominal amount of £624,448.80.

**The General Meeting will be held in accordance with the UK Government guidelines and the requirements of the venue in relation to the Covid-19 pandemic in effect at the time of the General Meeting. The situation is constantly evolving, and the UK Government may change current guidance or implement new restrictions relating to the holding of general meetings during the affected period. The Company continues to closely monitor the situation and any changes to the arrangements for the General Meeting will be communicated to Shareholders before the General Meeting through its website ([www.assetco.com](http://www.assetco.com)) and, where appropriate, by RIS announcement.**

### Action to be taken

A Form of Proxy is enclosed for use by Shareholders at the General Meeting. Shareholders are asked to complete, sign and return the Form of Proxy to the Registrar, Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol, BS13 8AE as soon as possible and in any event not later than 11.15 a.m. on 11 April 2022.

## 19. IRREVOCABLE UNDERTAKINGS

The Directors have irrevocably undertaken to vote in favour of the Resolutions to be proposed at the General Meeting in respect of their own (or their close relatives', related trusts' and connected persons') beneficial holdings of 1,336,378 Ordinary Shares representing, in aggregate, approximately 15.86 per cent. of the Company's issued share capital on 17 March 2022.

In addition to the irrevocable undertakings referred to above, the Company has received irrevocable undertakings to vote in favour of the Resolutions to be proposed at the General Meeting from Shareholders in respect of a total of 2,969,868 Ordinary Shares representing, in aggregate, approximately 35.25 per cent. of the Company's issued share capital on 17 March 2022.

The Company therefore has received irrevocable undertakings to vote in favour of the Resolutions to be proposed at the General Meeting in respect of a total of 4,306,246 Ordinary Shares representing, in aggregate, approximately 51.11 per cent. of the Company's issued share capital on 17 March 2022.

## **20. ADMISSION, SETTLEMENT AND DEALINGS**

Application will be made to the London Stock Exchange for the Enlarged Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence on AIM on the third Business Day following the satisfaction of the Conditions.

## **21. CREST**

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Articles contain provisions concerning the holding and transfer of Ordinary Shares in uncertificated form in accordance with the CREST Regulations. Ordinary Shares will continue to be admitted to CREST following Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if the relevant Shareholder so wishes. CREST is a voluntary system and Shareholders who wish to receive and retain share certificates will be able to do so.

## **22. THE TAKEOVER CODE**

The Company is a public company incorporated in the UK and has its place of central management and control in the UK. Accordingly, the Takeover Code applies to the Company and, as a result, Shareholders are entitled to the benefit of the takeover offer protections provided under the Takeover Code.

Further information concerning the Takeover Code is set in paragraph 6 of Part 6 of this Document.

## **23. FURTHER INFORMATION**

The attention of Shareholders is drawn to the financial and other information set out in Parts 2 to 6 inclusive of this Document, which provide additional information on the Company and RMG.

## **24. RECOMMENDATION**

The Board believes the Acquisition is in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting as they have undertaken to do in respect of their own Shareholdings as detailed above.

## PART 2

### RISK FACTORS

*The following is not an exhaustive list or explanation of all risks that Shareholders and prospective investors may face when holding or making an investment in the Ordinary Shares and should be used for guidance only.*

#### **RISKS RELATING TO THE ACQUISITION**

Completion of the Acquisition is subject to the satisfaction (or waiver where applicable) of the Conditions. There can be no assurance that the Conditions will be satisfied by the Long Stop Date and if the Conditions are not satisfied (or waived where applicable) the Scheme will not become Effective and the Acquisition will not complete. In such eventuality the Company will nevertheless be responsible for costs and fees incurred in respect of the Acquisition. Additionally this may have an adverse impact on the reputation of the Company due to amplified media scrutiny arising in connection with a failure to complete the Acquisition. Any such reputational risk could adversely affect the Company's business, financial condition and share price.

#### **RISKS RELATING TO RMG POST ACQUISITION**

##### ***Profitability of RMG's asset management business***

Following the sale of the Solutions business the business of RMG will comprise solely its asset management division. RMG does not report financially on a fully cost allocated divisional basis and therefore it is not possible to accurately ascertain to what extent RMG's asset management division would be loss making on a standalone basis. In the assessment of the Company RMG's asset management division is not currently profitable when the cost of central functions is included and unless the proposed material reduction in its central functions cost base is implemented and/or the initiatives to grow AuM are successful there can be no guarantee that the RMG asset management business will be profitable.

##### ***Internal disruption and impact on talent management and disruption***

There has, given the sale of its Solutions business and the Acquisition, been considerable disruption over a protracted period of time to the business of RMG. Accordingly key personnel, including senior management, could and may continue to be distracted from their day-to-day roles. Additionally, the combination of the sale of the Solutions business and the Acquisition could lead to certain employees of RMG experiencing uncertainty about their future, thereby having an adverse effect on their performance. Such uncertainty may also have an effect on the recruitment and retention of key personnel. If these risks are not managed effectively, the business, financial results and reputation of RMG could be adversely affected.

##### ***Exposure to liability under the Solutions Sale Agreement and the Transitional Services Agreement***

The Solutions Sale Agreement contains customary warranties. The transaction documentation also includes a customary tax indemnity given by RMHL in favour of Schroders and certain transitional services to be provided between RMG and RAMIL.

If RMHL should incur liabilities under the Solutions Sale Agreement or other transaction documentation, the costs of such liabilities could have an adverse effect on its business, financial condition and results. A financial cap of £1 on RMHL's liability applies to warranty claims and claims under the tax indemnity (subject to limited exceptions in relation to the tax indemnity), with Schroders having put in place a warranty and indemnity insurance policy in respect of such warranties and indemnities. However, this cap does not apply to other claims. RMHL's and RMG's liability under the Solutions Sale Agreement in respect of other claims (including the limited exceptions under the tax indemnity which fall outside the £1 cap) is subject to customary limitations, including in relation to most (but not all) claims de minimis and aggregate claims thresholds, and in respect of all claims an overall financial liability cap of £46 million in aggregate and time limits for bringing a claim. Under the TSA, RMHL's liability is subject to various exclusions, a liability cap linked to the fees paid under the TSA and a time limit for bringing a claim. No limitations of RMHL's or RMG's liability apply in the case of fraud by RMHL or RMG.

***Potential risks relating to reorganisation required to rescale RMG's central functions to an appropriate size for the retained business to ensure unquestionable financial viability***

RMG and the Company propose to materially reduce the cost base of the RMG retained business, informed by industry benchmarks, in order to right-size operations. Completion of this process could cause disruption to the business of RMG. Key personnel, including senior management, could be distracted from their day-to-day roles, as a result of having to focus their efforts on the delivery of this cost-reduction programme, implementation of the reorganisation could lead to certain employees of RMG experiencing uncertainty about their future, thereby having an adverse effect on their performance. Such uncertainty may also have an effect on the recruitment and retention of key personnel.

***RMG could suffer a loss of business as a result of uncertainty or negative market sentiment towards its new strategy***

RMG's success and results will, notwithstanding its acquisition by the Company, be dependent, to an extent, on the strength of its brand and reputation. RMG is, and will continue to be, vulnerable to adverse market, customer and client perception, including customer and client perception of RMG and the Company.

There is a risk that customers and clients may choose to move assets away from RMG due to a lack of confidence in RMG and concerns around the actual or perceived strategic and business priorities of the Company and RMG or otherwise. RMG's revenues are predominantly derived from: (1) management fees (the quantum of which is based on the value of funds managed), and (2) performance fees payable on the achievement of certain criteria. Withdrawals of AuM would have an impact on management fees and performance fees respectively and therefore revenue. Depending on the extent of such withdrawals, and any associated investment losses, there could be an adverse effect on RMG's business, operations, financial condition and growth prospects.

***RMG's operations will initially be less diversified and more dependent on its UK asset management business***

Post the sale of the Solutions business RMG is primarily a UK based equities asset manager. Accordingly RMG will be more susceptible to the actual and perceived risks related to UK asset management business more generally. The UK's investment advisory and investment management industries are highly competitive. RMG's competitors include global, national and local specialist asset management companies and investment advisory, consultants as well as banks and financial services companies, some of which are substantially larger than RMG. RMG competes on the basis of brand recognition, business reputation, the range of products and strategies offered, quality of service and the level of fees for services as well as the investment performance of its products and strategies. Any failure by RMG to compete effectively in the UK market could lead to a loss of business and/or a failure to win new business, each of which could lead to reduced profit margins and have an adverse effect on RMG's business, operations, financial condition and growth prospects.

***RMG's operations will be more dependent on the performance of the relevant members of the asset management business***

RMG's development and prospects will be dependent upon the service and performance of the directors, partners and senior management of RMG. The loss of the services of any of the proposed directors or senior management could cause disruption which could have a material adverse effect on the execution of the New Strategy, the growth of the asset management business and its financial prospects. RMG's future success will also depend on qualified and experienced staff to enable it to raise assets for its asset management activity and successfully manage its investments on behalf of clients. Should RMG be unable to retain key staff and/or attract new staff this could have a material adverse effect on its ability to grow its business.

***Risks associated with client concentration***

Following the sale of the Solutions business RMG has significant client concentration risk relative to RMG before the completion of the sale. This creates revenue dependencies on certain larger clients, who through factors beyond its control, could experience commercial and or financial challenges or changes of control, resulting in a loss of business and potential disruption to its growth plans. Similarly, the distribution of its asset management products will be relatively concentrated, with key dependencies on established intermediaries between RMG and investors.

### ***Increased operational gearing***

RMG's strategy is focused on the growth of its asset management business. Such businesses are operationally geared, and success depends on attracting adequate investment funds to manage. If the asset management business fails to attract sufficient assets to generate fees, this could have a material adverse effect on its business, financial condition and prospects. In this regard, there can be no guarantee that RMG will be able to launch the proposed RMG Infrastructure Fund.

## **RISKS RELATING TO THE NEW STRATEGY**

### ***Lack of operating history in the asset and wealth management sector***

The Company, notwithstanding the acquisitions and investments made to date, is at an early stage of the implementation of its New Strategy. Accordingly, as at the date of this Document, the Company has no meaningful historical financial data upon which Shareholders may base an evaluation of the Company within this sector. The value of any investment in the Company is, therefore, dependent upon the successful implementation of the New Strategy described in paragraph 4 of Part I of this Document. As such, the Company is subject to all of the risks and uncertainties associated with any newly established business enterprise, including the risk that the Company will not achieve its objectives and that the value of an investment in the Company could decline and may result in the loss of capital invested. The past performance of companies or funds managed by the Directors, or persons affiliated with them, in other ventures in a similar sector or otherwise, is not necessarily a guide to the future business, results of operations, financial condition or prospects of the Company. Shareholders will be relying on the ability of the Company and the Directors to successfully execute the New Strategy.

### ***Failure to attract investment funds***

The New Strategy involves the development of an asset and wealth management business. Such businesses are operationally geared and success depends on attracting adequate investment funds to manage. If the asset and wealth management business fails to attract sufficient investment funds to manage, this could have a material adverse effect on the Enlarged Group's business, financial condition and prospects.

### ***Dependence on key executives***

The Company's development and prospects are dependent upon the service and performance of the executive Directors. The loss of the services of any of the executive Directors could cause disruption to the operations of the business which could have a material adverse effect on the deliverability of the New Strategy and the financial prospects of the Company.

### ***Ability to recruit skilled personnel***

The success of the New Strategy will depend on its ability to recruit qualified and experienced employees. Should the Company be unable to attract new employees with the appropriate skill set and experience, this could have a material adverse effect on the Company's ability to grow its business.

### ***Poor performance of assets under management***

The value of AuM and the fee income the Company derives from them are closely linked to the performance of the underlying funds. Whilst the Enlarged Group's clients will set investment objectives, there is no assurance the Enlarged Group will meet these investment objectives. Meeting those objectives is a target, but the existence of such objectives should not be considered as an assurance or guarantee that they can or will be met in relation to the Enlarged Group's assets under management in general or in relation to any part of it. If the assets under management perform poorly, this could have a material adverse effect on the Enlarged Group's business, financial condition and prospects.

### ***Regulatory risk***

The implementation of the New Strategy may ultimately require the Company being authorised by the FCA to conduct investment business pursuant to FSMA or otherwise be subject to the regulatory regime. Obtaining authorisation cannot be guaranteed and by not doing so may have a material adverse effect on the Company. The New Strategy also involves expansion through mergers or acquisitions of complementary businesses. The acquisition of regulated firms or businesses or portfolios may require the approval of the FCA. There is no guarantee that any such approvals will be provided or that the conditions on which the FCA will grant such approvals will be acceptable.



The regulatory regime applicable to the business of the Enlarged Group is under regular review and future changes made by a regulatory body could impose a greater burden upon the business in terms of additional compliance costs.

The Company has entered into the Appointed Representative Agreement under the terms of which the Company is authorised to carry on specified regulated activities as the appointed representative of Toscafund. Toscafund is entitled to terminate the Appointed Representative Agreement on one month's notice and the Appointed Representative Agreement otherwise terminates on a summary basis in certain specified circumstances. Should the Appointed Representative Agreement terminate (otherwise than at a time when the Company is itself authorised by the FCA) the Company will not, unless it is able to enter into alternative arrangements, be permitted to carry on regulated activities.

### **Competition**

The Company's potential competitors have established, financial and strategic relationships amongst themselves or with existing or potential customers or other third parties to increase their ability of providing services or products which address customer needs. Accordingly, it is possible that existing or new competitors or alliances amongst competitors could grow and acquire significant market share, drive price reductions or cause reduced margins. Existing and/or increased competition could, therefore, adversely affect the Company's ability to obtain market share, which could have a material adverse effect on the Company's performance, financial condition or business prospects.

### **Internal controls may be insufficient to enable effective management as the Company grows**

Future growth and prospects for the Company will depend on its management's ability to manage the businesses of the Enlarged Group and to continue to improve internal operational and financial management information and control systems on a timely basis, whilst at the same time maintaining effective cost controls. Any failure to improve such information and control systems in line with the Enlarged Group's growth could adversely impact the financial condition, results of operations and prospects of the Enlarged Group.

### **The Company's ability to complete an acquisition**

As part of the New Strategy, the Board is very likely to continue to grow the business through acquisitions. There can be no assurance that the Company will be able to identify potential acquisition opportunities, conclude agreements with any target business and/or shareholders in the future, and failure to do so could adversely impact the financial condition, results of operations and prospects of the Enlarged Group.

The Company's ability to identify and conclude any acquisition may be delayed or made at a relatively slow rate because, *inter alia*:

- the Company intends to conduct detailed due diligence prior to approving acquisition targets;
- the Company may conduct extensive negotiations in order to secure and facilitate acquisition targets;
- it may be necessary to establish certain structures in order to facilitate an acquisition target;
- competition from other investors, market conditions or other factors may mean that the Company cannot identify attractive acquisition targets or such acquisition targets may not be available at the rate the Company currently anticipates;
- the Company may be unable to agree on acceptable terms;
- the Company may need to obtain Shareholder approval to issue additional Ordinary Shares to finance any acquisition;
- the Company may be unable to raise bank finance or other sources of finance on terms the Directors consider reasonable; or
- the Company may need to raise further capital to make investments and/or fund the assets or businesses invested in, which may not be achieved.

### ***Material facts or circumstances may not be revealed in the due diligence process***

The Company has to date and intends to continue to conduct such due diligence as it deems reasonably practicable and appropriate based on the facts and circumstances applicable to any potential acquisition. The objective of the due diligence process will be to identify material issues which might affect the decision to proceed with any particular acquisition target or the consideration payable for an acquisition. The Company also intends to use information revealed during the due diligence process to formulate its business and operational planning for, and its valuation of, any target company or business. Whilst conducting due diligence and assessing a potential acquisition, the Company may rely on information provided by the relevant target company to the extent such company is willing or able to provide such information and, in some circumstances, third party investigations.

There can be no assurance that the due diligence undertaken with respect to a potential acquisition will reveal all the relevant facts that may be necessary to evaluate an acquisition, including the determination of the price the Company may pay for an acquisition target, or to formulate a business strategy. Furthermore, the information provided during due diligence may be incomplete, inadequate or inaccurate. As part of the due diligence process, the Company will also make subjective judgments regarding the results of operations, financial condition and prospects of a potential opportunity. If the due diligence investigation fails to correctly identify material issues, including current and future liabilities that may be present in a target company or business, or if the Company considers such material risks to be commercially acceptable relative to the opportunity, and the Company proceeds with an acquisition, the Company may subsequently incur substantial impairment charges or other losses. In addition, following an acquisition, the Company may be subject to significant, previously undisclosed liabilities of the acquired business that were not identified during due diligence and which could contribute to poor operational performance, undermine any attempt to restructure the acquired company or business in line with the Company's New Strategy or have a material adverse effect on the Company's financial condition and results of operations.

### ***Valuation error***

In assessing the consideration to be paid for an acquisition, the Directors, amongst other things, expect to rely on market data, industry statistics and industry forecasts consisting of estimates compiled by industry professionals, organisations, analysts or publicly available information. Industry publications generally state that their information is obtained from sources they believe to be reliable but that the accuracy and completeness of such information is not guaranteed and that the forecasts or projections they contain are based on a number of significant assumptions. Although the Company intends to use sources that are believed to be reliable, it may not always have access to the underlying information, methodology and other bases for such information and may not have independently verified the underlying information and, therefore, cannot guarantee its accuracy and completeness. Accordingly, errors in any of the assumptions or methodology employed by a third party in preparing a report on which the Company may place reliance may materially adversely affect the Company's valuation and therefore returns on any acquisition.

### ***Acquisitions may have an adverse effect on the Company's ability to manage its business***

Acquisitions may expose the Company to potential risks, including risks associated with the assimilation of new personnel, unforeseen or hidden liabilities, the diversion of management attention and resources from the Company's existing business and the inability to generate sufficient revenues to offset the costs and expenses of acquisitions. Any difficulties encountered in the acquisition and integration process may have an adverse effect on the Company's ability to manage its business.

### ***Acquisitions of private companies are subject to a number of risks***

The Company may acquire privately held companies or assets that may:

- be highly leveraged and subject to significant debt service obligations, stringent operational and financial covenants and risks of default under financing and contractual arrangements, which may adversely affect their financial condition;
- have limited operating histories and smaller market shares than publicly held businesses making them more vulnerable to changes in market conditions or the activities of competitors;
- be more dependent on a limited number of management and operational personnel, increasing the impact of the loss of any one or more individuals; and/or
- require additional capital.

All or any of these factors may have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

***The Company could incur costs for transactions that may ultimately be unsuccessful***

There is a risk that the Company may incur substantial legal, financial and advisory expenses arising from unsuccessful transactions, which may include public offer and transaction documentation, legal, accounting and other due diligence which could have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

***Financing risks***

It may be the case that any acquisition may be partially funded by Ordinary Shares or Ordinary Shares may not be an acceptable proposal to the selling party, and the Company may need to raise substantial additional capital in the future to fund any acquisition. Capital expenditure and operating expenses, among others, will be factors which will have an impact on the amount of additional capital required. Financing alternatives may include debt and additional equity financing, such as the issue of Ordinary Shares, which may be dilutive to Shareholders and in the event that the Company considered obtaining debt financing, while widely available, this may involve restrictions on operating activities, future financing, acquisitions and disposals. If the Company is unable to obtain potential additional financing as and when needed, it could result in the Company requiring more capital from Shareholders.

***Restrictions on offering Ordinary Shares as consideration for an acquisition or requirement to provide alternative consideration***

The Company may offer its Ordinary Shares or other securities as part of the consideration to fund, or in connection with, an acquisition. However, certain jurisdictions may restrict the Company's use of its Ordinary Shares or other securities for this purpose, which could result in the Company needing to use alternative sources of consideration. Such restrictions may limit the Company's available acquisition opportunities or make certain acquisitions more costly which may have an adverse effect on the business, financial condition, results of operations and prospects of the Company.

***Retention of personnel required to support the Company after an acquisition***

Following completion of an acquisition, the Company will evaluate the personnel of the acquired business and may determine that it requires increased support to operate and manage the acquired business in accordance with the Company's overall business strategy. There can be no assurance that existing personnel of the acquired business will be adequate or qualified to carry out the Company's strategy or that the Company will be able to hire or retain experienced, qualified employees to carry out the Company's strategy.

***Reverse takeovers***

As the Company makes acquisitions, it may trigger further reverse takeovers under the AIM Rules for Companies, which will be subject to prior Shareholder approval and a further readmission to AIM or another listing venue for the enlarged entity.

Shareholders should note that where a transaction is considered to be a reverse takeover for the purposes of the AIM Rules for Companies and the Shareholders approve any such transaction, trading on AIM in the Ordinary Shares will be cancelled and readmission to AIM or another listing venue will be required to be sought in the same manner as any other applicant applying for admission of its securities for the first time. Trading in the Ordinary Shares may be suspended following the announcement of any such transaction until the Company has published a readmission document in respect of the Company.

***LTIP***

The issuance of additional Ordinary Shares in connection with the LTIP or otherwise may dilute all other shareholdings.

***Data protection issues***

The EU General Data Protection Regulation (EU) 2016/679 ("**GDPR**") came into force on 25 May 2018 and introduced a number of more onerous obligations on data controllers and rights for data subjects as well as new and increased fines and penalties for breaches of its data privacy obligations. Failure to comply with data

protection legislation (including the GDPR) may leave the Company open to criminal and civil sanctions. In addition, unauthorised access to the Company's customer data could lead to reputational damage and loss of confidence in the Company, which could, therefore, impair the Company's business prospects.

## **RISKS RELATING TO ACQUISITIONS AND INVESTMENTS MADE PURSUANT TO THE NEW STRATEGY**

To date the Company has, in addition to announcing the Acquisition, acquired Saracen and Rize, made a minority investment in Parmenion and announced the proposed acquisition of Revera.

In respect of the acquisitions and investments made or announced to date in addition to being subject to the general risks described under the headings "Risks relating to the Acquisitions" and "Risks relating to the New Strategy" set out above the Company is particularly exposed to the following risks:

- the Company will need to put in place appropriate and effective operational and financial management information reporting and control systems across acquisitions made such that the Company is able at all times to monitor the financial position of the Enlarged Group;
- in order to achieve its ambitions in respect of acquisitions announced to date the Company will need to integrate various administrative and other functions undertaken by the relevant companies and achieve cost synergies and savings across the whole of the Enlarged Group; and
- in order to successfully grow the businesses of the acquisitions announced to date the Company will need to provide additional distribution support, consider new product launches and broaden existing capabilities into immediate adjacencies.

In respect of the investment in Parmenion the Company has acquired a minority interest. Accordingly, its ability to influence or control the business of Parmenion is limited.

## **GENERAL RISKS**

### ***Investment risks***

An investment in the Ordinary Shares is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment, or other investors who have been professionally advised with regard to the investment, and who have sufficient resources to be able to bear any losses that may arise therefrom (which may be the whole amount invested). Such an investment should be seen as complementary to existing investments in a wide spread of other financial assets and should not form a major part of an investment portfolio. Investors should not consider investing in the Ordinary Shares unless they already have a diversified investment portfolio.

Prospective investors should be aware that the value of an investment in the Company may go down as well as up and investors may, therefore, not recover or may lose all of their original investment.

In addition, the price at which investors may dispose of their Ordinary Shares may be influenced by a number of factors, some of which may pertain to the Company, and others of which are extraneous. These factors could include the performance of the Enlarged Group's businesses, large purchases or sales of Ordinary Shares, liquidity (or absence of liquidity) in the Ordinary Shares, currency fluctuations, legislative or regulatory or taxation changes, general economic and political conditions and interest and inflation rate variations. The value of the Ordinary Shares may therefore fluctuate and not reflect their underlying asset value.

### ***Economic conditions and current economic weakness***

As the Company has operations located in the UK and the New Strategy will form a UK regulated entity, there is a risk that possible legislative and regulatory changes resulting from leaving the European Union could affect the Company and its New Strategy.

Any economic downturn, either globally or locally in any area in which the Company operates, may have an adverse effect on the demand for the Company's services. A more prolonged economic downturn may restrict the Company's ability to generate a profit. In addition, although signs of economic recovery have been perceptible in certain countries, the sustainability of a global economic upturn during and following the COVID-19 pandemic, as well as relating to other external factors, is not yet assured. If economic conditions remain uncertain this might have an adverse impact on the Company's operations and business results.

### ***Force majeure***

The Company's operations now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, hostilities, war (including the current conflict in the Ukraine), subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics, a worsening of the COVID-19 pandemic in the UK and globally, pandemics or quarantine restrictions.

### ***Taxation***

Any change in the Company's tax status or in taxation legislation or its interpretation, could affect the Company's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders.

### ***Legislation and compliance***

The activities of the Company are subject to laws and regulations governing taxes, employment standards, occupational health, safety, environmental and other matters. Whilst the Company aims to ensure it complies with all such laws and regulations within the jurisdictions within which it operates, failure to comply with such requirements may result in fines and/or penalties being assessed against the Company which could have a material adverse effect on the Company's business, financial condition, trading performance and prospects.

In addition, this Document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors' interpretation thereof. Such interpretation may not be correct and it is always possible that legislation, rules and practices may change. There can be no assurance that future legislation, rules and practices will not adversely affect the business or financial condition of the Company.

### ***Economic, political, judicial, administrative, taxation or other regulatory matters***

The Company may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors in the areas and jurisdictions in which the Company operates and intends to operate.

## **RISKS RELATING TO THE ORDINARY SHARES**

### ***The market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, some of which may be out of the Company's control***

Publicly traded securities from time to time experience significant price and volume fluctuations that may be unrelated to the operating performance of the companies that have issued them. In addition, the market price of the Ordinary Shares may prove to be highly volatile. The market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, some of which are beyond the Company's control, including: variations in operating results in the Company's reporting periods; changes in financial estimates by securities analysts; poor stock market conditions affecting companies engaged in the same sector; additions or departures of key personnel; any shortfall in turnover or net profit or any increase in losses from levels expected by securities analysts; and future issues or sales of Ordinary Shares. Any or all of these events could result in a material decline in the price of the Ordinary Shares, regardless of the Company's performance.

### ***Suitability of the Ordinary Shares as an investment***

The Ordinary Shares may not be a suitable investment for all the recipients of this Document. Before making a final decision, Shareholders and other prospective investors are advised to consult an appropriate independent financial adviser authorised under FSMA if such Shareholder or other prospective investor is resident in the UK or, if not, from another appropriately authorised independent financial adviser who specialises in advising on acquisitions of shares and other securities.

The value of the Ordinary Shares, and the income received from them, can go down as well as up and Shareholders may receive less than their original investment. In the event of a winding up of the Company, the Ordinary Shares will rank behind any liabilities of the Company, if any, and, therefore, any return for Shareholders will depend on the Company's assets being sufficient to meet the prior entitlements of creditors.

### ***The Company's ability to pay dividends in the future is not certain***

The Company cannot guarantee that it will have sufficient cash resources to pay dividends in the future. The declaration, payment and amount of any future dividends of the Company are subject to the discretion of

the Shareholders, or in the case of interim dividends to the discretion of the Directors, and will depend upon, amongst other things, the Company's earnings, financial position, cash requirements, availability of profits, as well as provisions for relevant laws or generally accepted accounting principles from time to time.

***Further issuances of Ordinary Shares may be dilutive***

The Company may decide to offer additional shares in the future for capital raising or other purposes. Shareholders who do not take up or who are not eligible to take up such an offer will find their proportionate ownership and voting interests in the Company to be reduced. An additional offering could also have a material adverse effect on the market price of the Ordinary Shares as a whole.

***Market perception***

Market perception of the Company may change, potentially affecting the value of investors' holdings and the ability of the Company to raise further funds by the issue of further Ordinary Shares or otherwise.

***The Ordinary Shares will not be admitted to the Official List***

The Ordinary Shares will be traded on AIM and will not be admitted to the Official List or admitted to trading on the Main Market. Neither the FCA nor the London Stock Exchange have examined or approved the contents of this Document. The rules of AIM are less demanding than those of the Official List and an investment in shares traded on AIM may carry a higher risk than an investment in shares admitted to the Official List. Although the Company is applying for the readmission of its Existing Share Capital to trading on AIM, there can be no assurance that an active trading market for the Ordinary Shares will develop, or if developed, that it will be maintained. In addition, the market in the Ordinary Shares on AIM may have limited liquidity, making it more difficult for an investor to realise its investment than might be the case in respect of an investment in shares which are quoted on the London Stock Exchange's main market for listed securities. Investors should therefore be aware that the market price of the Ordinary Shares may be more volatile than the market prices of shares quoted on the London Stock Exchange's main market for listed securities and may not reflect the underlying value of the net assets of the Company. For these and other reasons, investors may not be able to sell at a price which permits them to recover their original investment.

## **PART 3**

### **FINANCIAL INFORMATION OF THE COMPANY**

Pursuant to Rule 28 of the AIM Rules for Companies, the Company's audited financial information for the financial years ended 30 September 2021, 30 September 2020 and 30 September 2019 can be viewed on the Company's website at [www.assetco.com](http://www.assetco.com) and are incorporated by reference in this Document. The accounts of the Company for each of the three financial years ended 30 September 2021 were prepared under International Financial Reporting Standards.

Shareholders or other recipients of this Document may request a hard copy of the above information, which is incorporated by reference, from the Company by emailing [info@assetco.com](mailto:info@assetco.com). A hard copy of the information incorporated by reference will not be sent to Shareholders or other recipients of this Document unless requested.

## **PART 4**

### **FINANCIAL INFORMATION OF RIVER AND MERCANTILE**

RMG's audited financial information for the financial years ended 30 June 2021, 30 June 2020 and 30 June 2019 can be viewed on a designated microsite on the Company's website at [www.assetco.com](http://www.assetco.com) and are incorporated by reference in this Document. The microsite will form a permanent record which will be available as a future reference for Shareholders. The accounts of RMG for each of the three financial years ended 30 June 2021 were prepared under the International Financial Reporting Standards.

Shareholders or other recipients of this Document may request a hard copy of the above information, which is incorporated by reference, from the Company by emailing [info@assetco.com](mailto:info@assetco.com). A hard copy of the information incorporated by reference will not be sent to Shareholders or other recipients of this Document unless requested.



## PART 5

### UNAUDITED PRO-FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

The unaudited pro-forma statement of net assets of the Enlarged Group has been compiled on the basis of the notes set out below (the “**Unaudited Pro-Forma Financial Information**”) to illustrate the effects of (i) the Acquisition; and, (ii) in line with guidance for preparers of pro forma financial information, which states that adjustments for transactions should not be made selectively, the Company’s investment in Parmenion (which completed on 1 October 2021), on the consolidated net assets of the Group if they had taken place on 30 September 2021.

The Unaudited Pro-Forma Financial Information has been prepared in accordance with the accounting policies applied in preparing the audited accounts of the Company for the financial year ended 30 September 2021.

Because of its nature, the Unaudited Pro-Forma Financial Information addresses hypothetical situations and, therefore, does not represent the Enlarged Group’s actual financial position. It may not, therefore, give a true picture of the Enlarged Group’s financial position or results nor is it indicative of the results that may or may not be expected to be achieved in the future.

The Unaudited Pro-Forma Financial Information does not constitute a financial statements within the meaning of Section 434 of the Companies Act. Potential investors should read the whole of this Document and not rely solely on the information in this Part 5 (Unaudited Pro-Forma Financial Information of the Enlarged Group).

	Adjustments							Pro forma net assets £'000
	AssetCo Group 30-Sep-21 £'000 (note 1)	AssetCo investment in Parmenion £'000 (note 2)	RMG plc 30-Jun-21 £'000 (note 3)	RAMIL sale adjustments £'000 (note 4)	RMG Return of Capital from RAMIL sale £'000 (note 5)	Acquisition adjustment £'000 (note 6)		
<b>Assets</b>								
<b>Non-current assets</b>								
Property, plant and equipment	16	—	253	—	—	—	269	
Right of use assets	—	—	1,219	—	—	—	1,219	
Intangible assets	20,067	—	23,514	—	—	19,375	62,956	
Investments in subsidiaries	—	—	—	—	—	—	—	
Investment in associate	—	21,871	—	—	—	—	21,871	
Deferred tax assets	—	—	519	(197)	—	—	322	
<b>Total non-current assets</b>	<b>20,083</b>	<b>21,871</b>	<b>25,505</b>	<b>(197)</b>	<b>—</b>	<b>19,375</b>	<b>86,637</b>	
<b>Current assets</b>								
Trade and other receivables	607	—	26,761	(17,862)	—	—	9,506	
Financial assets at fair value through profit and loss	12,000	—	1,368	—	—	(12,000)	1,368	
Current income tax receivable	3	—	—	—	—	—	3	
Cash and cash equivalents	26,902	(21,871)	29,635	220,202	(179,833)	(8,700)	66,335	
<b>Total current assets</b>	<b>39,512</b>	<b>(21,871)</b>	<b>57,764</b>	<b>202,340</b>	<b>(179,833)</b>	<b>(20,700)</b>	<b>77,212</b>	
<b>Total assets</b>	<b>59,595</b>	<b>—</b>	<b>83,269</b>	<b>202,143</b>	<b>(179,833)</b>	<b>(1,325)</b>	<b>163,849</b>	
<b>Liabilities</b>								
<b>Non-current liabilities</b>								
Deferred tax liability	(49)	—	(1,731)	—	—	—	(1,780)	
Lease liability	—	—	(537)	—	—	—	(537)	
<b>Total non-current liabilities</b>	<b>(49)</b>	<b>—</b>	<b>(2,268)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(2,317)</b>	
<b>Current liabilities</b>								
Trade and other payables	(1,972)	—	(19,484)	7,974	—	—	(13,482)	
Current income tax liabilities	(1,437)	—	(925)	393	—	—	(1,969)	
Lease liability	—	—	(746)	—	—	—	(746)	
<b>Total current liabilities</b>	<b>(3,409)</b>	<b>—</b>	<b>(21,155)</b>	<b>8,367</b>	<b>—</b>	<b>—</b>	<b>(16,197)</b>	
<b>Total liabilities</b>	<b>(3,458)</b>	<b>—</b>	<b>(23,423)</b>	<b>8,367</b>	<b>—</b>	<b>—</b>	<b>(18,514)</b>	
<b>Net assets</b>	<b>56,137</b>	<b>—</b>	<b>59,846</b>	<b>210,510</b>	<b>(179,833)</b>	<b>(1,325)</b>	<b>145,335</b>	

*Note 1*

The net assets of AssetCo have been extracted without adjustment from the audited financial statements of AssetCo as at 30 September 2021 contained in Part 3 "Financial Information of the Company" of this Document.

*Note 2*

As referred to in the audited financial statements of AssetCo for the financial year ended 30 September 2021, AssetCo acquired a 30 per cent. stake in Parmenion on 1 October 2021 for an amount of £21,871,000.

*Note 3*

The net assets of RMG have been extracted without adjustment from the audited financial statements of RMG for the year ended 30 June 2021 contained in Part 4 "Financial Information of River and Mercantile" of this Document.

Note 4

The pro forma financial information below has been extracted, without material adjustment, from the pro-forma financial information contained within Part 5 of the investment circular published by RMG on 23 November 2021.

	Adjustments			RAMIL sale adjustments £'000
	RAMIL £'000 (note i)	Intercompany and other adjustments £'000 (note ii)	Estimated net proceeds £'000 (note iii)	
<b>Assets</b>				
<b>Non-current assets</b>				
Deferred tax assets	(197)	—	—	(197)
<b>Total non-current assets</b>	<b>(197)</b>	<b>—</b>	<b>—</b>	<b>(197)</b>
<b>Current assets</b>				
Trade and other receivables	(18,170)	308	—	(17,862)
Cash and cash equivalents	(9,341)	1,379	228,164	220,202
<b>Total current assets</b>	<b>(27,511)</b>	<b>1,687</b>	<b>228,164</b>	<b>202,340</b>
<b>Total assets</b>	<b>(27,708)</b>	<b>1,687</b>	<b>228,164</b>	<b>202,143</b>
<b>Current liabilities</b>				
Trade and other payables	9,661	(1,687)	—	7,974
Current income tax liabilities	393	—	—	393
<b>Total current liabilities</b>	<b>10,054</b>	<b>(1,687)</b>	<b>—</b>	<b>8,367</b>
<b>Total liabilities</b>	<b>10,054</b>	<b>(1,687)</b>	<b>—</b>	<b>8,367</b>
<b>Net assets</b>	<b>(17,654)</b>	<b>—</b>	<b>228,164</b>	<b>210,510</b>

- i) These adjustments remove the assets and liabilities of RAMIL. The financial information has been extracted, without material adjustment, from the historical financial statements set out in Section 3 of Part 4 (Historical Financial Information Relating to River and Mercantile Investments Limited) in the investment circular published by RMG plc on 23 November 2021.
- ii) Intercompany adjustments reflect the settlement of certain intercompany balances between RAMIL and the "Retained Group" at completion of the RAMIL sale.
- iii) For the purposes of this pro-forma information, this adjustment assumes that the sale of RAMIL completed on the balance sheet date of 30 June 2021. The estimated net proceeds of £228.2 million comprise the following:

	£'000
Sale price	230,000
Professional fees	(7,702)
Transaction bonuses	(1,739)
Surplus capital at 30 June 2021	7,605
<b>Net proceeds</b>	<b>228,164</b>

Surplus capital comprises a working capital adjustment (being the difference between actual working capital and the target working capital set out in the Solutions Sale Agreement), plus cash balances less debt balances. The surplus capital amount has been calculated based on the actual working capital, cash balances and debt balances of RAMIL as at 30 June 2021. If actual working capital, cash and/or debt at completion is different from the respective balances as at 30 June 2021, the surplus capital adjustment at completion may be different from the figure included above, and such differences may be material.

#### Note 5

The Return of Capital adjustment is taken as the amount to be paid by RMG in the second quarter of 2022 of £190,000,000 plus £950,000 in respect of stamp duty on the return of capital and net of AssetCo's receipt of £11,117,000 relating to its holding of 5,000,000 RMG Shares at the date of declaration.

#### Note 6

The adjustments arising as a result of the Acquisition are set out below:

- i) Estimated transaction costs of £8,700,000 in association with the Acquisition have been allocated to 'Cash and cash equivalents' to reflect the immediate payment of these costs, which are wholly attributable to the Acquisition and are non-recurring. There were no such costs accrued at the respective year ends of AssetCo and RMG presented in this pro forma financial information.
- ii) The adjustment represents the goodwill that will be recognised in AssetCo's consolidated financial statements upon completion of the Acquisition, with the Acquisition being accounted for as a business combination in accordance with IFRS 3.

	<b>£'000</b>
Equity consideration (a)	93,051
Fair value of RMG Shares already owned (b)	5,730
Total fair value of consideration at date of acquisition	98,781
Less identifiable net assets of RMG (c)	(55,892)
Calculated goodwill	42,889
Less existing RMG goodwill	(23,514)
Pro forma goodwill adjustment	19,375

- (a) The equity consideration of £93,051,000 has been calculated as the issue of 6.003 million New Ordinary Shares at an issue price of 1550 pence per New Ordinary Share, being the closing price per Ordinary Share as at 25 January 2022 (the date of announcement of the Acquisition) and based on the exchange ratio for the Acquisition of 0.07392 New Ordinary Shares in exchange for each RMG Scheme Share.

The consideration payable at completion of the Acquisition will be different to the consideration included in this pro-forma financial information as the number of New Ordinary Shares to be issued and the share price will be calculated at the completion date.

- (b) In January and February 2021 AssetCo acquired 5,000,000 RMG Shares for cash. As required by IFRS 3 these RMG Shares must be recorded at fair value at the date of Acquisition. Using the effective value of an RMG Share is 114.6p as set out in Part 1 of this document (Summary of the Terms of the Acquisition and the Scheme) the fair value of these RMG Shares is £5,730,000.
  - (c) The identifiable net assets acquired of £55,892,000 comprise net assets of RMG as at 30 June 2021 £59,846,000 as adjusted for the existing goodwill balance of £23,514,000, the RAMIL sale adjustment of £210,510,000, the associated Return of Capital of £190,000,000 and stamp duty on the Return of Capital amounting to £950,000.
- iii) Under IFRS acquisition accounting (IFRS 3), it is necessary to fair value the consideration paid and all the identifiable assets and liabilities of the acquired business. The excess of consideration over the book value acquired has been reflected in this pro-forma financial information as goodwill. A fair value exercise to allocate the purchase price will be completed following the completion of the Combination; therefore, no account has been taken in the pro forma of any fair value adjustments that may arise on the acquisition. The allocation of the purchase price and fair value adjustments, when finalised post completion of the Acquisition, may be material.

#### Note 7

In preparing the unaudited pro-forma net assets statement, with the exception of the acquisition by AssetCo of a 30 per cent stake in Parmenion, the sale of RAMIL and associated Return of Capital by RMG and related stamp duty, no account has been taken of the trading activity or other transactions which have been made between the respective year end dates of AssetCo and RMG and the date of the Acquisition nor any option, bonus or other remuneration payable by RMG on the change of control of RMG.

## PART 6

### ADDITIONAL INFORMATION

#### 1 RESPONSIBILITY

- 1.1 The Company, the Directors and the Proposed Director accept responsibility, individually and collectively, for all the information contained in this Document and for compliance with the AIM Rules for Companies. To the best of the knowledge of the Company, the Directors and the Proposed Director (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2 INCORPORATION AND STATUS OF THE COMPANY

- 2.1 The Company was incorporated in England and Wales on 17 November 2003 as a public company limited by shares, with the name Asfare No.1 plc and registered number 04966347.
- 2.2 The Company's principal activities are acquiring, managing and operating asset and wealth management activities and interests, together with other related interests.
- 2.3 The principal legislation under which the Company was incorporated was the Companies Act 1985. The principal legislation under which the Company operates is the Companies Act.
- 2.4 The liability of Shareholders is limited to the amount, if any, unpaid on the Ordinary Shares.
- 2.5 The Company's legal and commercial name is AssetCo plc.
- 2.6 The registered office of the Company is Singleton Court Business Park, Wonastow Road, Monmouth, Monmouthshire, NP25 5JA. The telephone number of the Company's registered address is +44 (0) 1600 716911. The Company's principal place of business is currently at Singleton Court Business Park, Wonastow Road, Monmouth, Monmouthshire, NP25 5JA.
- 2.7 The business address of the Directors and the Proposed Director is at Singleton Court Business Park, Wonastow Road, Monmouth, Monmouthshire, NP25 5JA.
- 2.8 The address of the Company's website, at which the information required by Rule 26 of the AIM Rules can be found, is [www.assetco.com](http://www.assetco.com).
- 2.9 The Company has no administrative, management or supervisory bodies other than the Board and the audit, remuneration, nomination and disclosure committees.
- 2.10 None of the Directors or the Proposed Director is aware of any environmental issues that may affect the Company's tangible fixed assets.
- 2.11 Save as disclosed in this Document and arising by virtue of volatility in equity markets, none of the Directors or the Proposed Director is aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects in the current financial year.

#### 3 COMPANY STRUCTURE

- 3.1 As at the date of this Document the Company acts as the holding company of the Group and has the following subsidiaries, all of which are incorporated in England and Wales:

Name	Principal Activity	Percentage Held
Saracen	investment management	100%
Rize ETF	launching and managing thematic ETF's	68%
AssetCo Asset Management Limited	dormant	100%
AssetCo Asset Managers Limited	dormant	100%
AAM Co Limited	dormant	100%
AssetCo Investment Management Limited	dormant	100%

- 3.2 Assuming completion of the Acquisition the Company will have the following additional subsidiaries and subsidiary undertakings:

Name	Principal Activity	Percentage Held
River and Mercantile Group PLC	holding company	100%
River and Mercantile Holdings Limited	holding company	100%
River and Mercantile Infrastructure LLP	investment management	100%
River and Mercantile Asset Management LLP	investment management	100%
River and Mercantile Group Services Limited	dormant	100%
River and Mercantile Group Trustees Limited	dormant	100%
River and Mercantile GP S.a.r.l	general partner	100%
River and Mercantile (US) Holdings Limited	holding company	100%
River and Mercantile Asset Management LLC *	investment management	100%

\*This entity which carries on the US Solutions business may have been sold prior to Admission.

#### 4 SHARE CAPITAL OF THE COMPANY

- 4.1 Following the passing of a special resolution at a general meeting held on 10 July 2020, the Company underwent a court approved capital reduction, which was approved in the High Court of Justice on 4 August 2020. As a result, the Company's issued deferred shares were cancelled and extinguished and consequently, on 14 August 2020, the Company's entire issued share capital comprised 12,211,163 Ordinary Shares.
- 4.2 On 2 December 2020, the Company announced a tender offer, by which the Company would purchase up to 6,532,942 Ordinary Shares held by certain qualifying shareholders at a price of £4.11 per Ordinary Share. Following approval by the Shareholders at a general meeting of the Company on 17 December 2020, the Company allotted 854,722 Ordinary Shares at £4.13 per Ordinary Share to Cadoc Limited, resulting in an issued share capital of 13,065,885 Ordinary Shares. On 23 December 2020, the Company bought back and then cancelled 6,532,942 Ordinary Shares, representing 50 per cent. of the issued ordinary share capital of the Company at that date and resulting in an issued share capital of 6,532,943 Ordinary Shares.
- 4.3 On 25 July 2021 the Company issued 1,725,000 Ordinary Shares pursuant to a placing of Ordinary Shares with institutional and other investors.
- 4.4 On 29 July 2021 the Company issued 166,904 Ordinary Shares credited as fully paid to the vendors of Saracen in connection with the acquisition by the Company of the entire issued share capital of Saracen.
- 4.5 The following table shows the current Ordinary Share capital of the Company as at the date of this Document and, assuming that the Scheme completes and 6,005,227 New Ordinary Shares are issued pursuant to the Scheme, as at the date of the Admission:

	Number	£(Nominal)
<b>As at the Date of this Document</b>		
Existing Ordinary Shares	8,424,847	842,484
<b>As at Admission</b>		
Ordinary Shares	14,430,074	1,443,007.40

The number of New Ordinary Shares to be issued pursuant to the Scheme have been calculated on the basis of the assumptions set out on page 6 of this Document.

- 4.6 The Company has no authorised share capital.
- 4.7 The Ordinary Shares have a nominal value of £0.10 and are, and all Ordinary Shares in issue at Admission will be, fully paid up.
- 4.8 The Existing Ordinary Shares were created under the Companies Act and have the rights and are subject to the restrictions referred to in paragraph 5 of this Part 6.
- 4.9 The issued Ordinary Shares will on Admission, rank *pari passu* in all respects, including the right to receive all dividends or other distributions thereafter declared, paid or made.

- 4.10 The Ordinary Shares are registered form and may be held in either certificated form or in uncertificated form through CREST. CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument. Accordingly, it is intended that following Admission the settlement of transactions in the Enlarged Share Capital may take place in CREST if the relevant Shareholders so wish. The records in respect of Ordinary Shares held in uncertificated form will be maintained by the Company's registrars, Computershare Investor Services plc.
- 4.11 No Ordinary Shares have been sold, or are available in whole or in part, to the public in conjunction with the application for the Enlarged Share Capital to be admitted to trading on AIM.
- 4.12 There are no listed or unlisted securities of the Company not representing share capital.
- 4.13 No Existing Ordinary Shares are held by or on behalf of the Company itself.
- 4.14 Otherwise than as referred to in this Document, there are no convertible securities, exchangeable securities or securities with warrants in the Company.
- 4.15 Other than the application for Admission, the Enlarged Share Capital is not being admitted to dealings on any recognised investment exchange, nor has any application for such admission been made, nor are there intended to be any other arrangements in place for there to be such dealings in the Enlarged Share Capital.
- 4.16 No shares of the Company are currently in issue and no shares will be in issue on Admission with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.
- 4.17 Save as referred to in this Document:
- 4.17.1 no unissued share or loan capital of the Company is proposed to be issued or is under option or agreed, conditionally or unconditionally, to be put under option;
- 4.17.2 no loan capital of the Company is in issue and no such issue is proposed;
- 4.17.3 there are no acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the authorised capital;
- 4.17.4 no persons have preferential rights in respect of any share or loan capital of the Company; and
- 4.17.5 there is no present intention to issue any share capital of the Company nor is there an undertaking to increase the capital of the Company as at the date of this Document.
- 4.18 At the General Meeting the following Resolutions will be proposed:
- 4.18.1 an ordinary resolution to approve the Acquisition; and
- 4.18.2 an ordinary resolution to authorise, in connection with the Acquisition, the Directors pursuant to section 551 of the Companies Act to allot Ordinary Shares or grant rights to subscribe for or to convert any security into Ordinary Shares in the Company up to a maximum aggregate nominal amount of £624,448.80.
- 4.19 At the Annual General Meeting resolutions will be proposed:
- 4.19.1 an ordinary resolution to authorise the Directors pursuant to Section 551 of the Companies Act to allot Ordinary Shares or grant rights to subscribe for or to convert any security into Ordinary Shares up to a maximum aggregate nominal amount of £421,242; and
- 4.19.2 a special resolution to empower the Directors pursuant to Section 571 of the Companies Act to allot equity securities (as defined in Section 560 of the Companies Act) for cash pursuant to the authority conferred upon the Directors by the resolution referred to in paragraph 4.19.1 or by way of sale of treasury shares, as if Section 561 of the Companies Act did not apply to such allotment up to an aggregate nominal amount of £421,242.

## **5 ARTICLES OF ASSOCIATION**

5.1 The following is a summary of the Articles that contain *inter alia* provisions to the following effect:

### **5.1.1 Objects of the Company**

The Articles do not provide for any objects of the Company, and accordingly the Company's objects are unrestricted. The Articles also do not state any purposes for which the Company was established and therefore the Company is able to undertake any activities permitted by the laws of England and Wales.

### **5.1.2 Limited liability**

The liability of the Company's members is limited to any unpaid amount on the Ordinary Shares held by them.

### **5.1.3 Issue of shares, share rights and pre-emption**

Shares may be issued, subject to applicable laws, the Articles and without prejudice to any rights or privileges attached to any existing class of shares, with such rights or restrictions as the Company may from time to time by ordinary resolution determine, or, if the Company has not so determined, as the Directors may determine.

Subject to applicable laws, any share may be issued which is to be redeemed, or is to be liable to be redeemed at the option of the holder or the Company. The Board may determine the terms, conditions and manner of redemption of any redeemable shares which are issued.

There are no rights of pre-emption in respect of transfers of issued shares. However, in certain circumstances, Shareholders may have statutory pre-emption rights under the Companies Act in respect of the allotment of new shares in the Company. These statutory pre-emption rights would require the Company to place new shares for allotment to existing Shareholders on a pro-rata basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares are offered to Shareholders.

The shares confer upon their holders the right to participate in any profits which the Company may from time to time determine to distribute in respect of any financial period.

### **5.1.4 Distribution of assets on a winding-up**

On a winding-up, the liquidator may, with the authority of a special resolution of the Company and any other sanction required by law, divide among the Shareholders in kind the whole or any part of the assets of the Company and may value any assets and determine how the division shall be carried out as between the Shareholders or different classes of shareholders. The liquidator may, with the like sanction, transfer any part of the assets of the Company to trustees on such trusts for the benefit of Shareholders as he may determine. No Shareholder shall be required to accept any asset in respect of which there is a liability.

### **5.1.5 Modifications to share class rights**

If the Company's share capital is divided into shares of different classes, any rights attached to any class of shares may (subject to the rights attached to the shares of the class) be varied or abrogated in any manner, either with the written consent of the holders of not less than three-quarters in nominal value of the shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of such class of shares.

### **5.1.6 Share transfers and conversion**

A Shareholder may transfer their certificated shares to another person by a written instrument of transfer in any usual form (or any other form approved by the Board) executed by or on behalf of the Shareholder and, in the case of a share which is not fully paid, by or on behalf of the transferee.



The Directors may refuse to register the transfer of a certificated share which is in respect of a partly paid share, a share upon which the Company has a lien, in respect of more than one class of share, in favour of more than four joint transferees or if the transfer document is not duly stamped or not delivered for registration with appropriate evidence of the transferor's title to the Company's registered office or its share registrars.

A Shareholder may transfer uncertificated shares without a written instrument if such shares are a participating security held in uncertificated form in accordance with the uncertificated securities rules. Uncertificated shares must be transferred by means of the relevant system in which the shares are held, subject to the rules of that system and the uncertificated securities rules. The Board may refuse to register any such transfer in circumstances which are allowed or required by the uncertificated securities rules and the relevant system.

If title to a share passes to a transmittee, the Company may only recognise the transmittee as having title to that share. A transmittee may choose to become the holder of shares or to have them transferred to another person, and, subject to the Articles, has the same rights as the holder had. Transmittees do not have the right to attend or vote at a general meeting in respect of shares to which they are entitled, unless they become the holder of those shares.

The Company may make arrangements for any class of its shares to be issued in uncertificated form and, in accordance with and subject as provided in the CREST Regulations, transfer of title of those shares shall be effected by means of a relevant system in the manner provided for and subject as provided for in the CREST Regulations. Shares held in uncertificated form may be changed to certificated form.

#### 5.1.7 **Fractions**

In the event that any consolidation or sub-division of shares results in any Shareholder being entitled to fractions of shares, the Directors have the right to settle the matter as they see fit.

#### 5.1.8 **Calls**

Subject to the Articles and the terms on which the shares are allotted, the Board may from time to time make calls on the members in respect of any monies which remain unpaid on their shares.

#### 5.1.9 **Dividends and other distributions**

There are no fixed dates on which a dividend entitlement arises. The Company may by ordinary resolution from time to time declare dividends to be paid to Shareholders, although the amount of the dividend cannot exceed the amount recommended by the Directors. In addition the Directors may pay interim dividends if justified by the profits of the Company available for distribution. A dividend payment to a Shareholder shall be calculated proportionately to the amounts paid up on each issued share. There are no dividend restrictions attaching to the shares, provided they are fully paid up.

Any dividend which remains unclaimed 12 years after the date the dividend becomes due for payment shall, at the option of the Directors, be forfeited and shall cease to remain owing to the Company.

#### 5.1.10 **Calls on shares and lien and forfeiture of shares**

Subject to the terms on which shares are allotted, the Company may issue a call notice to Shareholders requiring payment of unpaid monies on their shares. The Company may call on Shareholders to pay different amounts at different times. Shareholders must pay the Company the amount called, provided they are given 14 clear days' notice.

If a Shareholder fails to pay money due under a call by the call payment date the Directors may send that Shareholder a notice of intended forfeiture and that member will be liable to pay interest on the call until it is paid. Such notice will state how payment is to be made and that non-compliance with the notice will render the shares in respect of which the call is payable liable to be forfeited.

The Company has a lien over every partly paid share in respect of the unpaid amount, whether a call notice has been sent or not. The lien takes priority over third party interests and extends to money payable in respect of such share, including dividends. A lien enforcement notice may be issued in relation to a share in respect of which a sum is payable if the date for payment of that sum has passed. The Company may sell shares in respect of which a lien enforcement notice is not complied with.

#### 5.1.11 **Appointment of Directors**

The number of Directors shall not be less than two but is not subject to a maximum. Directors may be appointed by ordinary resolution or board resolution.

#### 5.1.12 **Retirement by rotation and removal of Directors**

At every annual general meeting, each Director must retire and may stand for reappointment by the Shareholders.

The Company may remove any Director from office by special resolution or by ordinary resolution of which special notice has been given.

#### 5.1.13 **Directors' benefits**

The Company may pay to Directors fees for their services. An executive Director may receive from the Company a salary or other remuneration in addition to or instead of such fees.

The Directors are entitled to be paid all travelling, hotel and other expenses properly incurred by them in connection with the discharge of their duties as Directors.

The Board may provide pensions, other retirement or superannuation benefits, death or disability benefits or other allowances or gratuities for persons who are or were Directors or employees of the Company and their spouses and dependants.

#### 5.1.14 **Powers of the Board**

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company. The Directors may delegate such powers to any executive Director or committee consisting of one or more Directors and one or more other persons as they think fit and those powers may be sub-delegated with the authority of the Directors. The Directors may revoke any delegation of powers.

#### 5.1.15 **Meetings of Directors**

The quorum for Directors' meetings may be fixed from time to time by the Directors and unless otherwise fixed, it is two.

If there is an equality of votes then, provided that the chair is entitled to vote on such resolution, the chair will have a second or casting vote.

#### 5.1.16 **Directors' Conflicts or Potential Conflicts**

Any Director interested in a transaction with the Company will not be counted as participating in any board meetings in respect of such transactions for quorum or voting purposes, unless: (i) the board of Directors authorise the conflict; (ii) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict; or (iii) the Director's conflict arises from a cause permitted by the Articles.

Causes which are permitted by the Articles are: (i) any security, guarantee or indemnity by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries; (ii) a proposal or contract relating to an offer of securities for subscription or purchase by the Company or any of its subsidiary undertakings, if the Director takes part because he or she is a holder of securities; (iii) arrangements made available to employees and Directors of the Company or its subsidiaries which do not provide the Directors with special benefits and (iv) a contract relating to insurance for the benefit of the Directors.

Questions relating to a Director's right to participate in a board meeting may be referred to the Chairman for final and conclusive determination. Questions relating to the Chairman's right to participate in a board meeting will be determined by a decision of the Directors present at that meeting, for which purpose the Chairman may not participate.

Subject to the provisions of the Companies Act, a Director is not required (provided he has disclosed his interest in the matter) to account to the Company for any benefit which he derives from or in connection with any transaction or arrangement involving a conflict of interest which has been authorised by the Directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

#### 5.1.17 **Indemnification of Directors**

A Director or an associated company may be indemnified out of the Company's assets against any liability incurred by that Director in connection with the Company's or an associated Company's capacity as a trustee of an occupational pension scheme.

#### 5.1.18 **Borrowing powers**

The Board may exercise all of the Company's powers to borrow money and to mortgage or charge the Company's undertaking, property, assets and uncalled capital of the Company, or any part thereof and (subject to applicable laws) to create and issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of a third party.

#### 5.1.19 **Meetings of Shareholders**

The Company is required to give notice of all general meetings to all Shareholders, Directors and auditors in accordance with the minimum notice periods contained in the Companies Act. Every notice calling a general meeting shall specify the time and place of the meeting and the Shareholders' right to be represented by a proxy. Every notice of a general meeting must specify the general nature of any business to be transacted at the meeting and shall set out the text of all resolutions to be considered in each case whether it is proposed as an ordinary resolution or as a special resolution.

The quorum for a general meeting is two.

An annual general meeting shall be held once a year.

#### 5.1.20 **Shareholder Voting**

Every Shareholder is able to exercise their right to vote at a general meeting. Each holder of shares present at a general meeting in person or by proxy has one vote, and, on a poll, one vote for each share of which he is the holder. No objection to the validity of a vote may be raised outside of the meeting, and every vote that is not disallowed during the meeting is valid. All resolutions shall be decided on a show of hands unless the meeting is held partly by means of electronic facility, in which case resolutions shall be decided on a poll, or a poll is demanded in accordance with the Articles. A poll may be demanded by the chairman, the Directors, five or more persons having the right to vote on the resolution, or a person representing at least one tenth of the total voting rights or at least one tenth of the total sum paid up on all shares conferring the right to vote. No member may vote on any share, unless all amounts payable to the Company in respect of that share have been paid.

## **6 TAKEOVER CODE**

### **6.1 Mandatory bid**

The Takeover Code applies to the Company. Under Rule 9 of the Takeover Code ("**Rule 9**"), if an acquisition, or a series of acquisitions over a period of time, of an interest in the Ordinary Shares was to increase the aggregate holding of the acquirer and its concert parties to shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Takeover Panel) to make a cash

offer for the outstanding Ordinary Shares at a price not less than the highest price paid for the Ordinary Shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by any acquisition of Ordinary Shares by a person holding (together with its concert parties) Ordinary Shares carrying between 30 and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase that person's percentage of the voting rights. Rule 9 is subject to a number of dispensations.

#### **6.2 Holdings of more than 50 per cent.**

If a person (or group of persons acting in concert) holds interests in Ordinary Shares carrying more than 50 per cent. of the Company's voting rights, that person (or any person(s) acting in concert with him) will normally be entitled to increase their holding or voting rights without incurring any further obligations under Rule 9 to make a mandatory offer, although individual members of a concert party will not be able to increase their percentage interest in Ordinary Shares through or between a Rule 9 threshold, without Takeover Panel consent. Such persons should, however consult with the Takeover Panel in advance of making such further acquisitions.

#### **6.3 Squeeze-out**

Under the Companies Act, if an offeror were to acquire 90 per cent. of the issued Ordinary Shares within four months of making its offer, it could then compulsorily acquire the remaining 10 per cent. It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their Ordinary Shares and then, six weeks later, it would execute a transfer of the outstanding Ordinary Shares in its favour and pay the consideration to the Company, which would hold the consideration on trust for outstanding Shareholders. The consideration offered to the Shareholders whose Ordinary Shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

#### **6.4 Sell-out**

The Companies Act also gives minority Shareholders in the Company a right to be bought out in certain circumstances by an offeror who has made a takeover offer (as defined in section 974 of the Companies Act). If a takeover offer relates to all the issued Ordinary Shares and, at any time before the end of the period within which the offer can be accepted, the offeror holds or has agreed to acquire not less than 90 per cent. of the issued Ordinary Shares, any holder of Ordinary Shares to which the offer relates who has not accepted the offer can by a written communication to the offeror require it to acquire those Ordinary Shares. The offeror would be required to give any Shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a Shareholder exercises its rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

### **7 CONTROL**

- 7.1 Other than as set out in this Document, the Company is not aware of any arrangements which may at a subsequent date result in a change in control of the Company.

## 8 INTERESTS OF THE DIRECTORS AND THE PROPOSED DIRECTOR

- 8.1 The interests of the Directors and the Proposed Director and persons connected to them (within the meaning of section 252 of the Companies Act) (all of which are beneficial unless otherwise stated) in the issued share capital of the Company as at the date of this Document and as expected to be immediately following Admission are as follows:

Name	As at 17 March 2022		Immediately following Admission <sup>1</sup>	
	Number of Existing Ordinary Shares	Percentage of Existing Ordinary Shares	Number of Ordinary Shares	Percentage of Enlarged Share Capital
Martin Gilbert	720,000	8.5%	720,000	5.0%
Campbell Fleming	150,000	1.8%	150,000	1.0%
Peter McKellar	259,482	3.1%	259,482	1.8%
Tudor Davies <sup>2</sup>	200,000	2.4%	207,392	1.4%
Mark Butcher	6,896	0.1%	8,854	0.1%
Christopher Mills <sup>3</sup>	1,871,500	22.2%	1,998,778	13.9%
Jonathan Dawson	—	—	7,451	0.1%

### Notes:

- Assuming that 6,005,227 New Ordinary Shares are issued pursuant to the Acquisition and that 7,392 New Ordinary Shares, 1,958 New Ordinary Shares, 127,278 New Ordinary Shares and 7,451 New Ordinary Shares are issued to Cadoc Limited, Mark Butcher, Harwood Capital and Jonathan Dawson respectively pursuant to the Acquisition. Further details relating to Cadoc Limited and Harwood Capital are set out at Notes 2 and 3 below. The number of New Ordinary Shares to be issued pursuant to the Scheme has been calculated on the basis of the assumptions set out at page 6 of this Document.
  - The Existing Ordinary Shares are held by Cadoc Limited, a company of which Tudor Davies is a director and which is controlled and owned by members of Tudor Davies' family.
  - Christopher Mills is a director and majority shareholder of Harwood Capital (the other Shareholders being members of Christopher Mills' family) which owns 1,622,500 Existing Ordinary Shares.
- 8.2 Save as set out in this Document, no Director or the Proposed Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company during the current or immediately preceding financial year and which was affected by the Company and remains in any respect outstanding or unperformed.
- 8.3 There are no loans made or guarantees granted or provided by the Company to or for the benefit of any Director or the Proposed Director which are outstanding.
- 8.4 Neither the Directors, the Proposed Director nor any major Shareholders referred to in paragraph 10 of this Part 6 have different voting rights to the other Shareholders.
- 8.5 None of the Directors or the Proposed Director or members of their family has a financial product whose value in whole or in part is determined directly or indirectly by reference to the price of Ordinary Shares.

## 9 ADDITIONAL INFORMATION ON THE DIRECTORS AND THE PROPOSED DIRECTOR

- 9.1 In addition to their directorship with the Company, the Directors and the Proposed Director hold or have held the following directorships or have been partners in the following partnerships within the five years prior to the date of this Document:

Director	Current Directorships/ Partnerships	Past Directorships/ Partnerships
<b>Martin Gilbert</b>	River and Mercantile Group PLC	QBE Underwriting Limited
	DAGG LLP	QBE UK Limited
	Net Zero Technology Centre Limited	Aberdeen Standard Asia Focus plc
	Old Oak Holdings Limited	Aberdeen Asset Management plc
	Revolut Ltd	Aberdeen Latin American Income Fund Limited
	The Heather Club Limited	Asia Tigers Fund Inc.
	Maven Capital (Telfer House) LLP	Standard Life Aberdeen plc
	The Haddeo Land LLP	Standard Life Investments
	Cobalt Data Centre 2 LLP	(Holdings) Limited
	Martin Gilbert Limited	Standard Life Investments Limited
	Saranac Partners Limited	The Invicta Film Partnership No.14 LLP

<b>Director</b>	<b>Current Directorships/ Partnerships</b>	<b>Past Directorships/ Partnerships</b>
<b>Martin Gilbert</b> <i>(Continued)</i>	PGA European Tour Wentworth Club Limited Moy Sheep Farms LLP Aberdeen Global Income Fund Inc. Aberdeen Standard Alpha Aberdeen Standard Liquidity Fund (Lux) Aberdeen Standard SICAV I Glencore plc Aberdeen Standard Investment SICAV II Aberdeen Standard Investments Global SICAV Beach Tree Catering Limited Scottish GDF Limited	Standard Life Portfolio Investments Limited Opportunity North East Limited Sky PLC The Enhanced Zero Trust plc 51 North Operations Ltd St. Julegar Limited Brownieleys Renewables LLP The Institute of International Finance, Inc Aberdeen Asia-Pacific Income Fund, Inc Aberdeen Asia-Pacific Income Investment Co. Ltd Aberdeen Global Dynamic Dividend Fund Aberdeen Global Premier Properties Fund Aberdeen Japan Equity Fund Inc. Aberdeen Standard Islamic SICAV Aberdeen Totally Dynamic Dividend Fund The India Fund Inc (IFN) Aberdeen Australia Equity Fund Inc (IAF) Aberdeen Standard Asia Focus PLC
<b>Campbell Fleming</b>	The Big Exchange Limited The Big Exchange (TBF) Ltd Ruffer LLP The Heather Club Ltd Fleming Flagship Ltd Moy Sheep Farms LLP F&F Ltd	Aberdeen Asset Management PLC Phoenix plc Aberdeen Asset Investments Limited Aberdeen Asset Managers Limited Aberdeen Asset Middle East Limited Aberdeen Investment Solutions Limited Aberdeen Standard Capital Limited The Truelove Foundation ASI (Gold) Limited Finca Santa Teresa Ltd PGH (Cayman)
<b>Peter McKellar</b>	The Heather Club Moy Sheep Farms LLP Umrigar Investments Limited Scottish Enterprise (Government Agency) 3i Group plc Investcorp Europe Acquisition Corp 1 Saracen Fund Managers Limited AssetCo Asset Management Limited AssetCo Asset Managers Limited AAM Co Limited AssetCo Investment Management Limited	SLIPC (General Partner PMD Co-Invest 2017) Limited SLIPC (General Partner SCF I) Limited SLI Secure Credit (Investments) Limited SLIPC (General Partner Infrastructure II LTP 2017) Limited Aberdeen European Infrastructure Carry Limited Aberdeen UK Infrastructure Carry GP Limited Aberdeen European Infrastructure Carry GP Limited Aberdeen UK Infrastructure Carry Limited Aberdeen Global Infrastructure Carry GP Limited

Director	Current Directorships/ Partnerships	Past Directorships/ Partnerships
<b>Peter McKellar</b> <i>(Continued)</i>		ASI (General Partner PE2) Limited ASI (General Partner SOF IV) Limited ASI (General Partner 2019 European PE B) Limited ASI (General Partner 2019 European PE A Carry) Limited ASI (SOF E GP) Limited ASI (General Partner ECF II) Limited Aberdeen General Partner 2 Limited Aberdeen General Partner 1 Limited ASI (Gold) Limited SL Capital Partners (US) Limited SLCP (Holdings) Limited SLCP (General Partner ESP CAL) Limited SLCP (General Partner USA) Limited SLCP (General Partner ESP 2004) Limited SLCP (General Partner NASP 2006) Limited SLCP (General Partner CPP) Limited SLCP (General partner Edcastle) Limited SLCP (General Partner) Limited SLCP (General Partner NASP 2008) Limited SLCP (General Partner ESP 2006) Limited SLCP (General Partner Tidal Reach) Limited SLCP (General Partner ESP 2008) Limited SLCP (General Partner NASF I) Limited SLCP (General Partner ESP 2008 Coinvestment) Limited SLCP (General Partner ESF I) Limited SLCP (General Partner Europe VI) Limited SLCP (General Partner SOF I) Limited SLCP (General Partner ESF II) Limited SLCP (General Partner Infrastructure I) Limited SLCP (General Partner EC) Limited SLCP (General Partner SOF II) Limited SLCP (General Partner Infrastructure Secondary I) Limited SLCP (General Partner Pearl Strategic Credit) Limited SLCP (General Partner Pearl Private Equity) Limited SLCP (General Partner SOF III) Limited SLCP (Founder Partner IGNIS Strategic Credit) Limited SLCP (Founder Partner IGNIS Private Equity) Limited SLCP (General Partner 2016 Co-Investment) Limited SL Capital Partners LLP SLCP (General Partner II) Limited Standard Life Investments (Private Capital) Limited Concession Infrastructure Investments Limited

<b>Director</b>	<b>Current Directorships/ Partnerships</b>	<b>Past Directorships/ Partnerships</b>
<b>Tudor Davies</b>	Cadoc Limited Bevan Davies Ltd Cadoc 2 Limited CM Plus Ltd Agreeinsure Limited Freeman & Pardoe Limited Arrow Architectural Limited Freeman and Pardoe Engineering Limited Bard 2 Ltd Bard 1 Ltd	Zytronic PLC
<b>Mark Butcher</b>	Redde Northgate plc 14 – 16 Fernlea Road Management Limited East Balkan Properties plc National Milk Records PLC Zytronic PLC	Coldharbour Marine Trustees Limited Coldharbour Technology Limited Coldharbour International Limited Stockdale Securities Limited IHOD Limited Milk Pension Fund Trustees Limited
<b>Christopher Mills</b>	3BL Media Limited 1 Orchard Place (Freehold) Limited Alternatport Limited Bigblu Broadband Plc Catalyst Media Group Plc Catalyst Media Holdings Limited Consolidated Venture Finance Limited Coventbridge Group Limited Cross-Border Publishing (London) Limited EKF Diagnostics Holdings Plc Frenkel Topping Group Plc Growth Financial Services Limited Hampton Investment Properties Limited Harwood Capital Management (Gibraltar) Ltd Harwood Capital Management Limited Harwood Capital Nominees Limited Harwood Holdco Limited Harwood Property Investments Limited Harwood Real Estate Limited IR Media Group Limited Jaguar Holdings Limited Journey Group PLC Learna Holdings Limited MJ Gleeson Plc North Atlantic Investment Services Limited North Atlantic Pc Holdings Inc North Atlantic Smaller Companies Investment Trust PLC Oryx International Growth Fund Limited Renalytix AI Plc Sourcebio International plc	01285055 Limited 62 Pont Street (Freehold) Limited Agrisense Industrial Monitoring Limited Alba Investment Properties Holdings Limited Augean Plc (now Augean Limited) Alba Investment Properties Limited B&G (Europe) Holding Ltd Baltimore Capital Plc Bioquell Limited Curtis Gilmour Holding Company Inc Essenden Limited Gabelli Value Plus + Trust Plc Goals Soccer Centres Plc Hamsard 3468 Limited Harwood (Birmingham) Limited Harwood Multi Manager Limited Harwood Real Estate Asset Management Limited Harwood Wealth Management Group Limited Hearing Therapeutics Limited Indoor Bowling Acquisitions Limited Indoor Bowling Equity Limited Jarvis Porter Group PLC Kelvinhaugh Student Accommodation Limited Quantum Pharma Holdings Limited Stratton Street (Anthony) Limited Stratton Street (Mouse No.1) Limited Sunlink Health Systems Inc Team Rock Limited The Tagos Group Tradewise Group of Companies Limited Tradewise Holdings Limited Tradewise Insurance Company Limited Tramworks Limited



<b>Director</b>	<b>Current Directorships/ Partnerships</b>	<b>Past Directorships/ Partnerships</b>
<b>Christopher Mills</b> (Continued)	Sports Information Services (Holdings) Limited Sureserve Group Plc Ten Entertainment Group Plc Trellus Health PLC Utitec Holdings Inc	
<b>Proposed Director</b>	<b>Current Directorships/ Partnerships</b>	<b>Past Directorships/ Partnerships</b>
<b>Jonathan Dawson</b>	National Grid plc Penfida Limited Penfida Trustee Limited Crown Lodge Management Company Limited Crown Lodge Freehold Limited Ropely Village Shop CIC River and Mercantile Group PLC	Jardine Lloyd Thompson PLC

- 9.2 Christopher Mills was formerly a director of Goals Soccer Centres plc, which entered into administration on 31 October 2019; the administration is ongoing and the loss to creditors unknown.
- 9.3 Christopher Mills was formerly a director of Team Rock Limited, which entered into administration on 12 December 2016 and moved to a creditors' voluntary liquidation on 5 December 2017; the liquidation is ongoing and the loss to creditors unknown.
- 9.4 Christopher Mills was formerly a director of Tricor plc, which entered into administration in 2003 within 12 months of his ceasing to be a director. A creditors' voluntary arrangement was completed in 2014; all creditors were paid in full.
- 9.5 Christopher Mills was a director of Nationwide Security Group plc when it was placed into receivership, which was completed on 2 March 2005; all creditors were paid in full.
- 9.6 Christopher Mills has also been a director of the following companies that have been placed into liquidation, receivership or administration:
- 9.6.1 companies that went into administration with a resulting creditor shortfall:
- 9.6.1.1 Valiant Sports Holdings Limited – creditors' voluntary liquidator appointed on 2 April 2013. The estimated deficiency to investors and creditors was £2,667,085;
- 9.6.1.2 Jarvis Porter Group plc – administration completed on 28 August 2008. A dividend of 3 pence per share was paid to unsecured creditors;
- 9.6.1.3 United Industries plc – administration completed on 26 January 2008. The estimated deficiency to investors and creditors was £48,142,869;
- 9.6.1.4 Versatile Group Limited – administrative receiver appointed on 3 September 1998 by Bank of Scotland, which had changes and cross guarantees supporting a debt of £2.4 million. In addition, the group had estimated deficiencies as regards creditors of £0.6 million and total estimated deficiencies in excess of £0.7 million. Versatile Group Limited was struck off the register on 15 May 2001.
- 9.7 Christopher Mills was appointed a director of the following companies on 23 December 2009 after they were purchased by J O Hambro on 23 December 2009 whilst they were in administration. The preferential creditor agreed to discharge part of the claim it held against the company and all other creditors were paid in full:
- 9.7.1 W.G. Mitchell (2005) Limited;
- 9.7.2 W.G. Mitchell (Charlotte Square) Limited;
- 9.7.3 W.G. Mitchell (George Street) Limited;

- 9.7.4 W.G. Mitchell (Enterprises) Limited;
- 9.7.5 W.G. Mitchell (Fifteen) Limited; and
- 9.7.6 W.G. Mitchell (Seven) Limited.
- 9.8 Christopher Mills and Tudor Davies were Directors when the Company entered into a scheme of arrangement (the “**Creditors Scheme**”) with its creditors as part of a refinancing and restructuring in September 2011. The Creditors Scheme was agreed in order to, *inter alia*, allow the Company to continue trading as a going concern, to improve the return for creditors versus the Company being placed into administration or liquidation, and to provide a platform for growth in the Middle East. The Creditors Scheme was approved by group company creditors and scheme creditors and sanctioned by a court. The Creditors Scheme provided the Company with £5 million, which was used to meet the costs of the Creditors Scheme, pay £10,000 for liabilities owed to group company creditors, and the remainder was used to pay scheme creditors in respect of pre-determined claims, releasing the Company from these liabilities.
- 9.9 Mark Butcher was appointed a director of Panfida Capital plc and Panfida Services (UK) Limited in November 1986 and May 1991 respectively. Both companies and their fellow subsidiaries<sup>(1)</sup> were placed into liquidation in April 1992. The loss to creditors is unknown and both companies and their fellow subsidiaries<sup>(1)</sup> were struck off in July 2014.
- <sup>(1)</sup> MRG Holdings Limited, Monarchy Seafoods Limited, Monarchy Foods Limited
- 9.10 Save as disclosed above or as previously disclosed by the Company, none of the Directors or the Proposed Director has:
- 9.10.1 any unspent convictions in relation to indictable offences;
- 9.10.2 had any bankruptcy order made against him or entered into any voluntary arrangements;
- 9.10.3 been a director of a company which has been placed in receivership, compulsory liquidation, creditors’ voluntary liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;
- 9.10.4 been a partner in any partnership which has been placed in compulsory liquidation, administration or has been the subject of a partnership voluntary arrangement or within the 12 months after he ceased to be a partner in that partnership;
- 9.10.5 been the owner of any assets or a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;
- 9.10.6 been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or
- 9.10.7 been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

## **10 LONG TERM INCENTIVE PLAN**

### **10.1 Background**

The Company implemented a long term incentive plan to incentivise Directors and the senior management in 2021. The principal terms of the LTIP, which were previously set out in the Readmission Document, are as set out below. As announced by the Company on 29 September 2021 the terms of the LTIP in respect of awards after the first performance period are currently under review.

### **10.2 General**

The Remuneration Committee is responsible for administering the LTIP. The Remuneration Committee has the power to make or vary regulations for the administration and operation of the LTIP as long as these are consistent with the rules of the LTIP. The decision of the Remuneration Committee, subject

to manifest error, as to any matter, question or dispute arising from the LTIP shall be final and conclusive and binding on the Company and participants.

### 10.3 Eligibility

All employees (including the executive Directors) of the Company and its subsidiaries may be granted awards under the LTIP.

### 10.4 Period for grant of Awards

The Remuneration Committee may grant awards at any time but awards are granted by reference to performance periods. The first performance period being 8 January 2021 to 30 September 2021. Thereafter the performance periods are on an annual basis ending on 30 September in each year. No awards may be granted under the LTIP after the tenth anniversary of its date of adoption.

### 10.5 Performance criteria

Participants are entitled to receive, in aggregate, in respect of each performance period 20 per cent. in the growth of the market capitalisation of the Company adjusted to add back and include any dividends paid during the performance period. However, participants do not receive the benefit of increases in the market capitalisation of the Company as a result of the issue of equity. This creates a pool of value to be allocated between participants in respect of each performance period.

Highwater mark provisions are in place such that only growth above the previous highest market capitalisation at the end of a performance period (adjusted for dividends and issues of equity) will be credited to a pool for allocation amongst participants.

There is no expressed maximum amount in respect of the pool of value created by reference to a performance period.

### 10.6 Allocation

Each pool will be divided into a maximum of 100 points. Participants will be informed of their individual points allocation at the start of a performance period (save in respect of the first performance period, when the allocation took place in September 2021).

An individual participant can receive no more than 25 per cent. of each pool save for the first performance period where the maximum allocation may be 40 per cent.

25 per cent. of the pool may be unallocated at the start of a performance period to allow for new joiners and/or exceptional value added by an existing participant.

### 10.7 Delivery

Each year, unless otherwise determined by the Remuneration Committee, participants will receive their share of each pool as follows:

10.7.1 one third satisfied in cash following the end of the performance period; and

10.7.2 two thirds in Ordinary Shares which will "vest" in equal instalments over a five year period following the end of the performance period (the "**Deferral Period**").

### 10.8 Lapse of awards, adjustments and Amendments

Awards granted are subject to standard "good/bad leaver" provisions in respect of each performance period and the Deferral Period. Except in the case of good leavers participation in the LTIP and awards granted will lapse on cessation of employment.

There are provisions which provide for adjustment and/or acceleration of awards in respect of corporate actions including upon a change of control of the Company.

The Remuneration Committee may amend the LTIP at any time, in any respect, as long as it does not have a significant adverse effect on value of existing awards for the participants.

## 10.9 Malus/clawback

Malus and clawback provisions apply to awards. The circumstances in which malus/clawback would apply include but are not limited to:

10.9.1 serious misconduct by an individual;

10.9.2 a material misstatement of the Company's audited financial statements;

10.9.3 any failure of risk management, fraud or other material financial irregularity; or

10.9.4 material corporate failure.

## 10.10 First performance period

In respect of the first performance period the Remuneration Committee determined (notwithstanding the provisions of paragraph 10.7 above) that the entirety of the awards should be satisfied by the issue of Ordinary Shares. The total pool value for the first performance period was £16,998,000 which is to be satisfied by the issue of 993,315 Ordinary Shares, of which 331,110 Ordinary Shares are due to be issued shortly when the relevant awards are released to participants.

## 11 SIGNIFICANT SHAREHOLDERS

11.1 Insofar as is known to the Company and the Directors, as at the close of business on 17 March 2022, the following persons are, and will, following Admission, be interested directly or indirectly, in three per cent. or more of the issued share capital of the Company:

	As at 17 March 2022				Immediately following Admission		
	Number of Existing Ordinary Shares	Percentage of Existing Ordinary Shares	Number of RMG Shares	Percentage of existing RMG Shares	Number of New Ordinary Shares	Aggregate number of New Ordinary Shares	Percentage of Enlarged Share Capital
Harwood Capital	1,871,500	22.2%	1,721,842	2.0%	127,278	1,998,778	13.9%
Punter Southall Group	—	0.0%	17,242,703	20.2%	1,274,580	1,274,580	8.8%
Toscafund	1,048,368	12.4%	400,000	0.5%	29,568	1,077,936	7.5%
Martin Gilbert	720,000	8.5%	—	0.0%	—	720,000	5.0%
ICM Limited	708,967	8.4%	—	0.0%	—	708,967	4.9%
Lombard Odier Asset Management (Europe) Limited	651,500	7.7%	—	0.0%	—	651,500	4.5%
Aberdeen Standard Investments	—	0.0%	6,373,403	7.5%	471,121	471,121	3.3%
Richard Griffiths	302,113	3.6%	—	0.0%	—	302,113	2.1%
Janus Henderson Investors	275,000	3.3%	—	0.0%	—	275,000	1.9%
Peter McKellar	259,482	3.1%	—	0.0%	—	259,482	1.8%

The number of New Ordinary Shares to be issued pursuant to the Scheme have been calculated on the basis of the assumptions set out on page 6 of this Document.

11.2 No significant holder of Ordinary Shares, as listed above in paragraph 10.1, has voting rights different to other Shareholders.

11.3 So far as the Directors are aware, save as disclosed in paragraph 10.10 of this Part 6, there are no persons who, immediately following Admission, will, directly or indirectly, be interested in three per cent. or more of the Enlarged Share Capital of the Company or who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company. To the best knowledge of the Company there are no arrangements which may at a date subsequent to Admission result in a change of control of the Company.

## 12 DIRECTORS' AGREEMENTS AND LETTERS OF APPOINTMENT

### *Directors' service agreements*

12.1 On 25 March 2021 the Company entered into a service agreement with Martin Gilbert pursuant to which Mr Gilbert was employed to work as the Chairman of the Company. Under the terms of the agreement, Mr Gilbert is paid a gross annual salary of £125,000 per annum. Mr Gilbert is eligible to participate in the LTIP in an amount to be determined by the remuneration committee at its absolute discretion.

The employment of Mr Gilbert will continue until terminated by either the Company giving 12 months' written notice to Mr Gilbert or Mr Gilbert giving six months' written notice to the Company. In addition, the Company may terminate Mr Gilbert's employment without notice in certain circumstances. The agreement contains garden leave provisions which can be utilised in event that the agreement is terminated by the Company.

The agreement contains a non-competition provision effective for a period of six months from the date of termination of Mr Gilbert's employment, non-solicitation, non-dealing, non-poaching and non-interference provisions effective for a period of 12 months from the date of termination of Mr Gilbert's employment and confidentiality provisions restricting the use and disclosure of confidential information, effective during and after Mr Gilbert's employment has ended (without limit), but which cease to or do not apply in certain circumstances.

- 12.2 On 25 March 2021 the Company entered into a service agreement with Peter McKellar pursuant to which Mr McKellar was employed to work as the Deputy Chairman and Chief Executive Officer of the Company. Under the terms of the agreement, Mr McKellar was paid a gross annual salary of £150,000 per annum which was reduced to £100,000 per annum from 1 October 2021 when he became Deputy Chairman only. Mr McKellar is eligible to participate in the LTIP in an amount to be determined by the remuneration committee at its absolute discretion.

The employment of Mr McKellar will continue until terminated by either the Company giving 12 months' written notice to Mr McKellar or Mr McKellar giving six months' written notice to the Company. In addition, the Company may terminate Mr McKellar's employment without notice in certain circumstances. The agreement contains garden leave provisions which can be utilised in event that the agreement is terminated by the Company.

The agreement contains a non-competition provision effective for a period of six months from the date of termination of Mr McKellar's employment, non-solicitation, non-dealing, non-poaching and non-interference provisions effective for a period of 12 months from the date of termination of Mr McKellar's employment and confidentiality provisions restricting the use and disclosure of confidential information, effective during and after Mr McKellar's employment has ended (without limit), but which cease to or do not apply in certain circumstances.

- 12.3 With effect from 2 October 2021 the Company entered into a service agreement with Campbell Fleming pursuant to which Mr Fleming was employed to work as Chief Executive Officer of the Company. Under the terms of the agreement Mr Fleming is paid a gross annual salary of £150,000 per annum. Mr Fleming is eligible to participate in the LTIP in an amount to be determined by the remuneration committee at its absolute discretion.

The employment of Mr Fleming will continue until terminated by either the Company giving 12 months' written notice to Mr Fleming or Mr Fleming giving six months' written notice to the Company. The agreement contains garden leave provisions which can be utilised in the event that the agreement is terminated by the Company.

The agreement contains a non-competition provision effective for a period of 12 months from the date of termination of Mr Fleming's employment, non-solicitation, non-dealing, non-poaching and non-interference provisions effective for a period of six months from the date of Mr Fleming's employment and confidentiality provisions restricting the use of confidential information, effective during and after Mr Fleming's employment has ended (without limit), but which cease to or do not apply in certain circumstances.

### ***Directors' letters of appointment***

- 12.4 Tudor Davies, Christopher Mills and Mark Butcher have each entered into a letter of appointment with the Company dated 25 March 2021, under the terms of which they each agreed to act as a non-executive Director, with effect from 16 April 2021. The appointments are for an initial term of one year to 16 April 2022, but can be terminated earlier by the Company in various specified circumstances and, thereafter, by either party on three months' prior written notice. The appointments are subject to the Articles.
- 12.5 The Company has agreed that Mr Davies shall receive a fee of £70,000 per annum for his services and Mr Mills and Mr Butcher each receive a fee of £35,000 per annum for their services. The agreed fees

cover all of the duties of a non-executive Director, including service on any Board committees. Conditional upon Admission occurring the fees payable to each of Mr Mills and Mr Butcher will increase to £50,000 per annum.

- 12.6 Jonathan Dawson has entered into a letter of appointment with the Company dated 18 March 2022, under the terms of which he has agreed to act as senior independent non-executive Director, with effect from Admission. The appointment will continue for an initial term of one year from Admission, but can be terminated earlier by the Company in various specified circumstances and, thereafter, by either party on three months' prior written notice. The appointment is subject to the Articles. The Company has agreed that Mr Dawson shall receive a fee of £80,000 per annum for his services. The agreed fee covers all of the duties of Mr Dawson as a non-executive Director, including service on any Board committees.

### **General**

- 12.7 Save as disclosed in this Document, the Company has not amended or entered into any service agreements with any Director within the last six months and no Director has a service agreement that has more than 12 months to run.
- 12.8 Save as disclosed in this Document, there are no service contracts or agreements existing or proposed between any Director, or parties in which they are interested, and the Company.
- 12.9 There are no proposals existing in connection with Admission whereby any member of the administrative or management bodies of the Company or any other person is entitled to benefits upon termination of employment or in connection with retirement from office.

## **13 MATERIAL CONTRACTS**

- 13.1 The following contracts, not being contracts entered into in the ordinary course of business, have been: (i) entered into by the Group or the RMG Group during the two years immediately preceding the date of this Document and are, or may be, material; or (ii) entered into by the Company or the RMG Group and contain any provision under which the Company or the RMG Group has any obligation or entitlement which is, or may be, material to the Company or the RMG Group at the date of this Document:

### **13.1.1 The Group**

#### **13.1.1.1 *Readmission agreement***

The Company, the then Directors and Arden entered into a readmission agreement dated 25 March 2021 pursuant to which Arden agreed to advise the Company in connection with the readmission of its share capital to trading on AIM.

The Company agreed to pay Arden a corporate finance fee and the Company agreed to pay all of the costs and expenses of and incidental to the readmission, together with any applicable VAT.

The Company and the then Directors gave certain warranties to Arden as to the accuracy of the information in Readmission Document and as to other matters relating to the Company. The liability of the then Directors under these warranties is limited in time and amount, save in certain circumstances. The Company also gave an indemnity to Arden against any losses or liabilities arising out of the proper performance by Arden of its duties under the readmission agreement.

#### **13.1.1.2 *Nominated adviser and broker agreement***

The Company and Arden entered into an engagement letter dated 12 May 2009, appointing Arden as the Company's financial adviser, nominated adviser and broker. The engagement letter sets out Arden's responsibilities. The letter also contains certain obligations for the Company and the Directors and indemnities given by the Company in respect of any claims arising in connection with the engagement. In consideration for the services, Arden is entitled to an annual retainer of £30,000 per annum (payable quarterly in advance). Either party may terminate upon three months' written notice.

#### 13.1.1.3 *Appointed Representative Agreement*

The Company and Toscafund entered into an appointed representative agreement dated 25 March 2021, whereby the Company was appointed as an appointed representative of Toscafund for the purposes of section 39 of FSMA and the Appointed Representative Regulations. The agreement enables the Company to carry out regulated activities, to arrange transactions in investments and to advise on investments. Under the terms of the agreement, the Company's activities as an appointed representative are treated for regulatory purposes as being carried out by Toscafund. The Company agreed to use all reasonable endeavours to obtain permission under Part 4A of FSMA, or acquire an entity that has such permission, as soon as reasonably practicable.

The Company agreed to pay Toscafund a monthly fee of £5,000 plus VAT (payable in advance). The Company also agreed to pay the reasonable costs and expenses of Toscafund in connection with the agreement. The agreement will continue unless terminated by either party on one month's written notice, or immediately upon the Company obtaining Part 4A permission under FSMA, or in certain other prescribed circumstances.

The Company has given certain representations, warranties and undertakings to Toscafund as to certain matters relating to the Company. The Company has given an indemnity to Toscafund against *inter alia* actions, proceedings, liabilities and losses suffered due to certain acts, omissions, misrepresentations or breaches by the Company. Toscafund has accepted regulatory responsibility for the activities of the Company under the terms of the agreement to the extent it is required to do so by FSMA, the Appointed Representative Regulations and the rules of the FCA.

#### 13.1.1.4 *Saracen acquisition agreement*

The Company and the individual sellers owning the entire issued share capital of Saracen ("**Saracen Sellers**") entered into a share purchase agreement dated 13 May 2021 pursuant to which the Company agreed, subject to a number of conditions (including the FCA approving the change of control), to acquire the entire issued share capital of Saracen for a total consideration of £2,002,006.00 satisfied as to £666,774 in cash and as to £1,335,232 by the issue, credited as fully paid, of 166,904 new Ordinary Shares.

Under the terms of the agreement certain Saracen Sellers gave customary warranties and indemnities to the Company subject to customary limitations. The conditions to which the agreement was subject were satisfied and the acquisition of Saracen completed on 30 July 2021.

#### 13.1.1.5 *Parmenion share and loan note purchase agreement*

The Company, Shillay DebtCo Limited ("**Shillay Debt Co**") and Shillay HoldCo Limited ("**Shillay HoldCo**") entered into a share and loan note purchase agreement dated 30 June 2021 pursuant to which the Company purchased 169,850 A Ordinary Shares in Shillay Topco Limited ("**Topco**") from Shillay Holdco for a consideration of £169,850 and £20,382,026 nominal of 10% fixed loan notes due 2050 issued by Shillay MidCo Limited from Shillay DebtCo for a consideration of £21,535,150. The agreement was subject to FCA consent be given to the Company requiring control (for the purposes of Section 422 of FSMA) of Parmenion Capital Partners LLP and Self Direction Investment Limited two entities in the group of which Topco is the holding company. Such consent was ultimately given and the agreement completed on 1 October 2021.

#### 13.1.1.6 *Parmenion deed of adherence and investment agreement*

The Company entered into a deed of adherence dated 1 October 2021 to an investment agreement dated 30 June 2021 and made between *inter alia* Topco and certain individuals comprising the management team of Parmenion (the

**“Investment Agreement”**). The Investment Agreement (in conjunction with the articles of association of Topco) regulates the manner in which Topco and its subsidiary undertakings including Parmenion Capital Partners LLP operates. In this regard the Investment Agreement contains customary provisions in relation to an agreement of this nature relating to representations on the board of Topco (the Company being entitled to nominate one director), reserved matters, information rights, issues of further securities and exit and restrictive covenants.

#### 13.1.1.7 *Placing agreement*

The Company and Numis entered into a placing agreement dated 21 July 2021 under the terms of which Numis agreed to use reasonable endeavours to place new Ordinary Shares (**“Placing Shares”**) at a placing price of 1,450 pence per Placing Share. In return the Company agreed to pay Numis agreed fees and commissions. The Company gave customary warranties and indemnities to Numis and agreed to certain undertakings in respect of the period following the admission of the Placing Shares to trading on AIM. The agreement completed and 1,725,000 Placing Shares were admitted to trading on AIM on 26 July 2021.

#### 13.1.1.8 *Rize ETF acquisition agreement*

The Company and J&E Davy Holdings (**“Davy”**) entered into a share purchase agreement dated 21 July 2021 pursuant to which the Company acquired 257,890 B Ordinary Shares of £0.001 each in the share capital of Rize ETF (**“B Shares”**) for a consideration of £16,500,000. Under the terms of the agreement Davy gave certain limited warranties to the Company concerning its title to the B Shares and its ability to enter into the agreement. Davy also agreed that the shareholders’ agreement that it had previously entered into with the management team of Rize ETF ceased and determined.

#### 13.1.1.9 *Rize ETF subscription agreement*

The Company, the individual founders of Rize ETF (the **“Founders”**) and Rize ETF entered into a subscription agreement dated 21 July 2021 under the terms of which the Company subscribed £5,250,000 for 5,250,000 preference shares of £1 each in Rize ETF (**“Preference Shares”**) having the rights set out in the articles of association of Rize ETF adopted on the date of the subscription agreement (the **“Rize ETF Articles”**).

#### 13.1.1.10 *Rize ETF shareholders’ agreement*

The Company, the Founders, certain employees of Rize ETF and Rize ETF entered into a shareholders’ agreement dated 21 July 2021 to regulate the manner in which the business of Rize ETF is to be conducted. Under the terms of the agreement, although the Founders are to carry on the day to day business of Rize ETF, certain decisions or activities cannot occur without the consent of the Company or its appointed directors on the board of Rize ETF. The agreement also contains a liquidation preference whereby *inter alia* the Preference Shares rank for payment ahead of any equity. The agreement also provides that in the event that the run rate revenues of Rize ETF reaching USD 5,500,000 (and maintaining that level for a continuous period of 90 days) the holders of C Ordinary Shares in Rize ETF will, as a preference, receive five per cent of the profits available for distribution. The agreement also contains provisions whereby D Ordinary Shares in Rize ETF can over a period (to 1 January 2025) become **“vested”** and thereby become voting equity shares. The agreement (in conjunction with the Rize ETF Articles) contains customary provisions for a shareholders’ agreement including **“good leaver, bad leaver”**, **“tag and drag rights”** and pre-emption rights.

#### 13.1.1.11 *Cooperation agreement*

The Company and River and Mercantile entered into a cooperation agreement dated 25 January 2022 under the terms of which they agreed to take certain steps



to facilitate completion of the Scheme. This agreement contains provisions that are customary in this type of agreement including *inter alia*: an obligation to consult with each other in terms of applying for the clearances necessary to satisfy the FCA Condition, providing each other with information required to be included in the Scheme Document, the Return of Capital Circular and this Document, taking of certain steps necessary to implement the Scheme, provisions relating to an agreed switch to a Takeover Offer and arrangements in respect of RMG share schemes.

#### 13.1.1.12 *Revera acquisition agreement*

The Company and the individual sellers owning the entire issued share capital of Revera (“**Revera Sellers**”) entered into a share purchase agreement dated 28 February 2022 pursuant to which the Company has agreed, subject to a number of conditions (including FCA approval to the change in control) to acquire the entire issued share capital of Revera for a total consideration of £2.75 million to be satisfied as to £1.92 million in cash and as to £822,323 by the issue, credited as fully paid, of 54,639 new Ordinary Shares. Under the terms of the agreement certain Revera Sellers give customary warranties and indemnities to the Company subject to customary limitations.

#### 13.1.1.13 *Admission Agreement*

The Company, the Directors, the Proposed Director and Arden have entered into the Admission Agreement dated 18 March 2022 pursuant to which Arden has agreed to advise the Company in connection with Admission.

The Company has agreed to pay Arden a corporate finance fee and the Company has agreed to pay all of the costs and expenses incidental to Admission, together with any applicable VAT.

The Company, the Directors and the Proposed Director have given certain warranties to Arden as to the accuracy of the information in this Document. The liability of the Directors and the Proposed Director under these warranties is limited in time and amount, save in certain circumstances. The Company has also given an indemnity to Arden against any losses or liabilities arising out of the proper performance by Arden of its duties under the Admission Agreement.

### 13.1.2 **RMG Group**

#### 13.1.2.1 *Solutions Sale Agreement*

RMG, RMHL and Schroders entered into a share purchase agreement dated 26 October 2021. Pursuant to the terms of the agreement, RMHL agreed to sell the entire issued share capital of RAMIL to Schroders. The consideration payable by Schroders to RMHL at completion was £230 million, adjusted in accordance with a customary completion accounts mechanism on a debt free cash free basis, and with the consideration being increased or decreased to reflect any surplus or deficit of working capital transferring with Solutions at completion compared to an agreed normalised level.

In the agreement, RMHL gave warranties and a tax covenant to Schroders that are customary for a transaction of this nature. With limited exceptions, the liability of RMHL to Schroders in respect of these warranties and tax covenant is limited to £1 in aggregate. Schroders has taken out an insurance policy in respect of these warranties and tax covenant on terms that are customary for a transaction of this nature. The sale of RAMIL completed on 31 January 2022.

#### 13.1.2.2 *Transitional Services Agreement*

RMHL and RAMIL entered into a Transitional Services Agreement dated 31 January 2022 to govern the transitional support to be provided by RMHL to RAMIL following completion of the Solutions Sale. The transitional services to be provided by the Solutions Seller consist of certain fund operations and technology services.

### 13.1.2.3 *US Solutions Share Purchase Agreement*

River and Mercantile US Holdings Limited (a wholly owned subsidiary of RMG) and Agilis Holding Company LLC (the "**Purchaser**") entered into a sale and purchase agreement dated 25 January 2022 for the sale of US Solutions business conditional on, *inter alia*, RMG Shareholder approval. The consideration in respect of the sale of US Solutions business will be \$8.6 million (subject to adjustment based on net tangible assets at completion) comprising \$2.6 million in cash, and the issuance of a secured loan note of \$6 million. Repayment of this note can be accelerated by RMG in certain circumstances including acceleration in full following completion of the Acquisition.

## **14 RELATED PARTY TRANSACTIONS**

- 14.1 Save as set out in this Document (and particularly save as disclosed in paragraph 14.3 below) or in the audited financial information of the Company referred to in Part 3 of this Document, there are no related party transactions that the Company has entered into during the period covered by the historic financial information set out in Part 3 of this Document up to the date of this Document.
- 14.2 Save as set out in this Document (and particularly as disclosed in paragraph 14.4 below) or in the audited financial information for RMG referred to in Part 4 of this Document, there are no related party transactions that RMG has entered into during the period covered by the historic financial information set out in Part 4 of this Document up to the date of this Document.
- 14.3 The following related party transaction has been entered into by the Company since 30 September 2021:
- 14.3.1 On 12 January 2021 Harwood Capital has made available to the Company an unsecured, interest free loan of up to £2,500,000 with individual advances of £500,000 repayable on or before (in certain circumstances) 31 March 2023.
- 14.4 The following related party transactions has been entered into by RMG since 30 June 2021:
- 14.4.1 The proposed sale of the US Solutions on the terms and conditions set out in the US Solutions Share Purchase Agreement.

## **15 NO GOVERNMENTAL, LEGAL OR ARBITRATION PROCEEDINGS**

- 15.1 Save as set out in this Document, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened) of which the Company is aware, which may have or have had during the 12 months immediately preceding the date of this Document or significant effect on the financial position or profitability of the Company or the Enlarged Group.

## **16 WORKING CAPITAL**

- 16.1 The Directors and the Proposed Director are of the opinion, having made due and careful enquiry, that the working capital available to the Enlarged Group will be sufficient for its present requirements, that is for at least 12 months from the date of Admission.

## **17 INTELLECTUAL PROPERTY**

- 17.1 Save as disclosed in this Document, there are no patents or other intellectual property rights, licences or particular contracts which are or may be of fundamental importance to the Company's business.

## **18 ACCOUNTING MATTERS**

- 18.1 Save as disclosed in this Document (and particularly in paragraph 13.1.1 of this Part 6 above), there has been no significant change in the financial or trading position of the Group since 30 September 2021.
- 18.2 Save as disclosed in this Document there has been no significant change in the financial or trading position of the RMG Group since 30 June 2021 being the date to which the latest published financial statements of the RMG Group were prepared.

- 18.3 The financial information set out at Part 5 in this Document relating to the Enlarged Group does not constitute statutory accounts. PricewaterhouseCoopers LLP (previously of Cornwall Court, 19 Cornwall Street, Birmingham B3 2DT in 2018, of One Chamberlain Square, Birmingham B3 3AX in 2019, and currently of One Kingsway, Cardiff CF10 3PW) have been the auditors of the Company since 2011. PricewaterhouseCoopers LLP is a member firm of the Institute of Chartered Accountants in England and Wales.
- 18.4 The total costs and expenses relating to the Acquisition and Admission payable by the Company are estimated to be £2.84 million (excluding VAT).
- 18.5 The accounting reference date of the Company is 30 September.

## **19 CONSENT**

- 19.1 Arden has given and has not withdrawn its written consent to the issue of this Document with the inclusion of its name and references to it.
- 19.2 Numis has given and not withdrawn its written consent to the issue of this Document with the inclusion of its name and references to it.

## **20 GENERAL**

- 20.1 Arden is registered in England and Wales under number 04427253 and its registered office is at 5 George Road, Edgbaston, Birmingham B15 1NP. Arden is regulated by the FCA and is acting in the capacity of nominated adviser to the Company.
- 20.2 Save as disclosed in this Document, no person (excluding professional advisers otherwise disclosed in this Document and trade suppliers) has:
- 20.2.1 received, directly or indirectly, from the Company within the 12 months preceding the date of application for Admission; or
  - 20.2.2 entered into contractual arrangements (not otherwise disclosed in this Document) to receive, directly or indirectly, from the Company on or after Admission any of the following:
  - 20.2.3 fees totalling £10,000 or more;
  - 20.2.4 securities in the Company with a value of £10,000 or more calculated by reference to the expected price of an Ordinary Share on Admission; or
  - 20.2.5 any other benefit with a value of £10,000 or more at the date of Admission.
- 20.3 Save as set out in this Document, there are no principal investments in progress, or principal future investments, on which the Board has made a firm commitment.
- 20.4 No public takeover bids have been made by third parties in respect of the Company's issued share capital either in the last financial year or the current financial year of the Company.
- 20.5 Where information has been sourced from a third party this information has been accurately reproduced. So far as the Company, the Directors and the Proposed Director are aware and are able to ascertain from information provided by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **21 DOCUMENTS PUBLISHED ON THE COMPANY'S WEBSITE**

- 21.1 Copies of the following documents will be made available at the following website address: [www.assetco.com](http://www.assetco.com) from the date of posting of this Document up to the date of the General Meeting and during the General Meeting:
- 21.1.1 the Memorandum and Articles;
  - 21.1.2 the audited accounts of the Company for the years ended 30 September 2019, 30 September 2020 and 30 September 2021; and

21.1.3 the audited accounts of RMG for the years ended 30 June 2019, 30 June 2020 and 30 June 2021 together with the unaudited interim accounts of RMG for the six months ended 31 December 2021.

## **22 AVAILABILITY OF DOCUMENT**

22.1 Copies of this Document will be available for inspection during normal business hours on any day (except Saturdays, Sundays and UK public holidays) at the registered office of the Company and on the Company's website at [www.assetco.com](http://www.assetco.com) from the date of this Document until the date which is one month after Admission.

**18 March 2022**

## NOTICE OF GENERAL MEETING

# AssetCo plc

(Registered in England and Wales with company number 04966347)

## NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting (the "**General Meeting**") of AssetCo plc (the "**Company**") will be held at the offices of Gowling WLG (UK) LLP, 4 More London Riverside, London SE1 2AU on 13 April 2022 at 11.15 a.m. (or as soon thereafter as the annual general meeting of the Company convened for 11.00 a.m. shall have concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolutions (the "**Resolutions**") which will be proposed as ordinary resolutions. Voting on all Resolutions will be conducted by way of a poll rather than on a show of hands.

### ORDINARY RESOLUTIONS

- 1 THAT, the Acquisition (as defined and described in Part 1 of the admission document dated 18 March 2022 of which this Notice of General Meeting forms part) be and is hereby approved and that the Directors be and are generally authorised to do all acts and things that they consider necessary or expedient to implement and effect the Acquisition.
- 2 THAT, in connection with the Acquisition, the Directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 ("**Act**") to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") up to a maximum aggregate nominal amount of £624,448.80 in each case to such persons and at such times and on such terms as the Directors think proper provided that this authority shall, unless previously renewed, varied or revoked by the Company in general meeting, expire on 31 July 2023 save that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted, or Rights to be granted, after such expiry, and the Directors may allot shares or grant Rights in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

DATED the 18 March 2022

### BY ORDER OF THE BOARD

**Stephen Murphy**  
*Company Secretary*

Registered Office: Singleton Court Business Park, Wonastow Road, Monmouth, Monmouthshire NP25 5JA

## NOTES:

1. As a member of the Company, you are entitled to appoint another person as proxy to exercise all or any of your rights to vote at the General Meeting and you should have received a Form of Proxy with this Notice of General Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy.
2. A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. To appoint the Chairman of the General Meeting or another person as your proxy insert their full name into the Form of Proxy.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different Ordinary Shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company's registrar, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY.
4. If you do not give your proxy an indication of how to vote on any Resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting as he or she thinks fit) in relation to any other matter which is put before the General Meeting.
5. The notes to the Form of Proxy explain how to direct your proxy how to vote on each Resolution or withhold their vote. To appoint a proxy using the Form of Proxy, the form must be:
  - a. completed and signed (with any alteration or deletion signed and initialled);
  - b. received not later than 48 hours before the time of the General Meeting (or any adjournment thereof).

In the case of a member who is a company, the Form of Proxy must be signed on its behalf by an officer of the company or any attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
7. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy Form of Proxy and would like to change the instructions using another hard-copy Form of Proxy, please contact the Company's registrar, Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
8. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrar, Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, or by emailing #UKCSBRS.ExternalProxyQueries@computershare.co.uk. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by the Company no later than 48 hours before the time of the General Meeting (or any adjournment thereof).
9. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

- 10.** You may not use any electronic address provided within this Notice of General Meeting or any related documents (including the Form of Proxy) to communicate with the Company other than as expressly stated.
- 11.** To give an instruction via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 48 hours before the time appointed for holding the General Meeting.
- 12.** For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid an appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- 13.** In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered in the Company's register of members at 6.30 p.m. on 12 April 2022 (or in the case of adjournment 48 hours before the time of the adjourned meeting) will be entitled to vote at the General Meeting. Changes to entries in the register of members after that time shall be disregarded in determining the right of any person to vote at the General Meeting.
- 14.** As at 17 March 2022 the Company's issued Ordinary Share capital was 8,424,847 Ordinary Shares. The Company holds no ordinary shares in treasury therefore the total voting rights as at 17 March 2022 are 8,424,847.

