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**THIS ANNOUNCEMENT IS BEING MADE PURSUANT TO RULE 2.5 OF THE IRISH  
TAKEOVER RULES**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**FOR IMMEDIATE RELEASE**

**25 March 2019**

**RECOMMENDED CASH OFFER**

**FOR**

**IFG GROUP PLC**

**BY**

**SAINTMICHELCO LIMITED**

**A WHOLLY-OWNED INDIRECT SUBSIDIARY OF FUNDS ADVISED BY EPIRIS LLP  
TO BE IMPLEMENTED BY WAY OF A SCHEME OF ARRANGEMENT  
UNDER CHAPTER 1 OF PART 9 OF THE COMPANIES ACT 2014**

## **Summary**

- Epiris GP Limited ("**Epiris GP**"), as General Partner of the Epiris Funds advised by Epiris LLP ("**Epiris**"), and IFG Group plc ("**IFG**") are pleased to announce that they have reached agreement on the terms of a recommended cash offer pursuant to which SaintMichelCo Limited ("**Bidco**"), a wholly owned indirect subsidiary of the Epiris Funds, will acquire the entire issued and to be issued share capital of IFG.
- Under the terms of the Acquisition, IFG Shareholders will be entitled to receive:  

**for each IFG Ordinary Share      £1.93 in cash**
- The Acquisition values the entire issued and to be issued ordinary share capital of IFG at approximately **£206 million**.
- The Acquisition represents:
  - a premium of approximately 46 per cent. to IFG's closing share price of £1.325 on 22 March 2019 (being the last practicable date prior to the publication of this Announcement);
  - a premium of approximately 44 per cent. to IFG's volume weighted average share price of approximately £1.34 over the one month period ended on 22 March 2019;

- a premium of approximately 42 per cent. to IFG's volume weighted average share price of approximately £1.36 over the three month period ended on 22 March 2019; and
  - a multiple of approximately 21.4 times IFG's adjusted after tax earnings for the year ended 31 December 2018.
- If any dividend or other distribution is authorised, declared, made or paid in respect of the IFG Ordinary Shares on or after the date of this Announcement, Bidco reserves the right to reduce the Consideration by the aggregate amount of such dividend or other distribution.
  - Commenting on the Acquisition, Kathryn Purves, CEO of IFG, said:
 

*"We are pleased to be announcing this transaction today and believe it is an excellent outcome for shareholders, for the company, and for our clients. The offer by Epiris represents a compelling opportunity for shareholders to realise an immediate and attractive cash value for their shareholding in IFG today. In addition, our employees and clients will benefit under the ownership of Epiris which should help accelerate the delivery of IFG's strategic objectives and the underlying strategies of James Hay and Saunderson House."*
  - Commenting on the Acquisition, Owen Wilson of Epiris said:
 

*"We are delighted that the Board of IFG has recommended our offer and we are excited to work with management to realise the growth potential of James Hay and of Saunderson House and to further enhance their position in their respective markets. James Hay, a trusted provider in the SIPP market, and Saunderson House, a differentiated independent wealth manager, both have strong reputations across their broad range of clients"*
  - It is intended that the Acquisition will be implemented by means of a High Court sanctioned scheme of arrangement under Chapter 1 of Part 9 of the Act (or, if Bidco elects, subject to the terms of the Transaction Agreement and with the consent of the Panel, a Takeover Offer). The Acquisition is conditional on, among other things, (i) the approval by IFG Shareholders of the Scheme Meeting Resolution and the EGM Resolutions; (ii) the sanction of the Scheme and the confirmation of the Reduction of Capital, by the High Court; and (iii) receipt of required regulatory and other necessary approvals.
  - Having taken into account the relevant factors and applicable risks, the IFG Board, who has been so advised by Evercore and Goodbody, financial advisers to IFG, consider the terms of the Acquisition as set out in this Announcement to be fair and reasonable. In providing such advice, Evercore and Goodbody have taken into account the commercial assessments of the IFG Directors. Evercore and Goodbody are providing independent financial advice to the IFG Directors for the purposes of Rule 3 of the Takeover Rules.
  - Accordingly the IFG Board unanimously recommends that IFG Shareholders vote in favour of the Acquisition and all of the Resolutions, as they intend to do in respect of their own beneficial holdings of, in aggregate, 874,879 IFG Ordinary Shares which represent, in aggregate, approximately 0.83 per cent. of the existing issued share capital of IFG as at the last practicable date before this Announcement being 22 March 2019.

- In addition, Bidco has received an irrevocable undertaking to vote in favour of the Acquisition from Crownway Capital ULC, a company owned and controlled by John Gallagher and his Connected Persons, in respect of 10,166,816 IFG Ordinary Shares representing approximately 9.65 per cent. of the issued share capital of IFG.
- In aggregate therefore, irrevocable undertakings and other commitments to vote in favour of each of the Resolutions required to implement the Scheme have been received by Bidco over 11,041,695 IFG Ordinary Shares, representing approximately 10.48 per cent. of the issued share capital of IFG. Further details of the irrevocable undertakings are set out below in paragraph 4 of this Announcement, including the circumstances in which the irrevocable undertakings cease to be binding.
- The Scheme Document, which will contain, amongst other things, further information about the Acquisition, notices convening the Scheme Meeting and the Extraordinary General Meeting, the expected timetable for Completion and action to be taken by IFG Shareholders, will be published as soon as practicable and, in any event, within 28 days of this Announcement. It is anticipated that the Scheme will, subject to obtaining the necessary regulatory and other necessary approvals, be declared effective in the second half of 2019.

#### **About Epiris LLP**

- Epiris is one of the longest-established private equity firms in the UK. Formerly known as Electra Partners, Epiris managed the FTSE 250-listed investment trust Electra Private Equity PLC until 2017, and in 2018 Epiris announced the final close of Epiris Fund II, an institutional private equity fund that attracted capital commitments totalling £821 million from some of the world's leading investors.
- Epiris invests in UK-headquartered businesses with an enterprise value of between £75 million and £500 million. It has a strong track record of transforming businesses in partnership with exceptional management teams. Its approach is to focus on strategic clarity, operational excellence, growth acceleration and M&A.

#### **About IFG plc**

- IFG is a financial services holding company with full market listings in London and Dublin. IFG's businesses provide financial solutions to end customers and financial advisers. James Hay provides pensions administration and investment platform services and Saunderson House is an independent wealth manager and financial adviser.
- As at 31 December 2018, IFG had £30.2 billion of assets under administration or advice across James Hay (£25.3 billion of assets under administration) and Saunderson House (£4.9 billion of assets under advice). In the year ended 31 December 2018, IFG reported an adjusted operating profit of £12.4 million and, on a statutory basis, a post tax loss of £1.0 million. IFG generated operating free cash flow of £6.6 million and net cash flow (after interest, retention payments and head office restructuring costs) of £3.1 million for the year ended 31 December 2018.

**This summary should be read in conjunction with the full text of the following Announcement and its appendices.**

The Conditions to, and certain further terms of, the Acquisition are set out in Appendix C to this Announcement and the Acquisition is subject to further terms to be set out in the Scheme Document. Appendix A to this Announcement contains certain sources of information and bases of calculation contained in this Announcement. Certain terms used in this Announcement are defined in Appendix B to this Announcement.

This Announcement contains inside information and has been issued pursuant to Article 2.1(b) of Commission Implementing Regulation (EU) 2016/1055. The date and time of this Announcement is the same as the date and time that it has been communicated to the media.

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#### **Statements required by the Takeover Rules**

The Epiris Responsible Persons and the Bidco Directors accept responsibility for the information contained in this Announcement other than that relating to IFG, the IFG Group and the IFG Directors and members of their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the Epiris Responsible Persons and the Bidco Directors (who, in each case, have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The IFG Directors accept responsibility for the information contained in this Announcement relating to IFG, the IFG Group and the IFG Directors and members of their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the IFG Directors (who have taken all reasonable care to ensure such is the case), the information contained in this Announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Houlihan Lokey (Corporate Finance) Limited (“Houlihan Lokey”), which is authorised and regulated by the Financial Conduct Authority in the UK, is acting exclusively as financial adviser to Epiris and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Epiris for providing the protections afforded to clients of Houlihan Lokey, or for providing advice in connection with the matters referred to herein. Neither Houlihan Lokey nor any of its subsidiaries or affiliates owes 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 Houlihan Lokey in connection with this Announcement or any matter referred to herein.

Evercore Partners International LLP (“Evercore”), which is authorised and regulated by the Financial Conduct Authority in the UK, is acting exclusively as financial adviser to IFG and no one else in connection with the matters described in this announcement and will not be responsible to anyone other than IFG for providing the protections afforded to clients of Evercore, or for providing advice in connection with the matters referred to herein. Neither Evercore nor any of its subsidiaries, branches or affiliates owes 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 Evercore in connection with this announcement or any matter referred to herein.

Goodbody Stockbrokers UC, trading as Goodbody (“Goodbody”), which is regulated by the Central Bank of Ireland and in the UK, Goodbody is authorised and subject to limited regulation by the Financial Conduct Authority, is acting exclusively for IFG and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than IFG for providing the protections afforded to clients of Goodbody, or for providing advice in connection with the matters referred to herein. Neither Goodbody nor any of its subsidiaries or affiliates owes 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 Goodbody in connection with this announcement or any matter referred to herein.

Macquarie Capital (Europe) Limited (“Macquarie”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for IFG and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than IFG for providing the protections afforded to clients of Macquarie, or for providing advice in connection with the matters referred to herein. Neither Macquarie nor any of its subsidiaries or affiliates owes 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 Macquarie in connection with this announcement or any matter referred to herein.

This Announcement is for information purposes only and is not intended to, and does not, constitute or form any part of any offer or invitation, or the solicitation of an offer, to purchase or otherwise acquire, subscribe for, sell or otherwise dispose of any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. The Acquisition will be made solely by means of the Scheme Document (or, if applicable, the Takeover Offer Document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any decision in respect of, or other response to, the Acquisition, should be made only on the basis of the information contained in the Scheme Document (or, if applicable, the Takeover Offer Document).

This Announcement does not constitute a prospectus or a prospectus equivalent document.

This Announcement has been prepared for the purpose of complying with the laws of Ireland and the Takeover Rules and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of Ireland.

#### **Cautionary Statement Regarding Forward-Looking Statements**

This Announcement contains certain forward-looking statements with respect to Epiris, Bidco and IFG. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “believe”, “will”, “may”, “would”, “could” or “should” or other words of similar meaning or the negative thereof. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues,

economic performance, financial conditions, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the operations of the Epiris Group or the IFG Group; and (iii) the effects of government regulation on the business of the Epiris Group or the IFG Group.

These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. All subsequent oral or written forward-looking statements attributable to Epiris, Bidco or IFG or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Neither Epiris, Bidco nor IFG undertake any obligation to update publicly or revise forward-looking or other statements contained in this Announcement, whether as a result of new information, future events or otherwise, except to the extent legally required.

#### **Disclosure requirements of the Takeover Rules**

Under the provisions of Rule 8.3 of the Takeover Rules, if any person is, or becomes, “interested” (directly or indirectly) in, 1% or more of any class of “relevant securities” of IFG, all “dealings” in any “relevant securities” of IFG (including by means of an option in respect of, or a derivative referenced to, any such “relevant securities”) must be publicly disclosed by not later than 3:30 pm (Irish time) on the “business” day in Dublin following the date of the relevant transaction. This requirement will continue until the date on which the “offer period” ends. If two or more persons co-operate on the basis of any agreement, either express or tacit, either oral or written, to acquire an “interest” in “relevant securities” of IFG, they will be deemed to be a single person for the purpose of Rule 8.3 of the Takeover Rules.

Under the provisions of Rule 8.1 of the Takeover Rules, all “dealings” in “relevant securities” of IFG by Epiris GP or Bidco, or by any party Acting in Concert with either of them, must also be disclosed by no later than 12 noon (Irish time) on the business day in Dublin following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose “relevant securities” “dealings” should be disclosed, can be found on the Irish Takeover Panel’s website at [www.irishtakeoverpanel.ie](http://www.irishtakeoverpanel.ie).

“Interests in securities” arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an “interest” by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Takeover Rules, which can also be found on the Irish Takeover Panel’s website. If you are in any doubt as to whether or not you are required to disclose a dealing under Rule 8, please consult the Irish Takeover Panel’s website at [www.irishtakeoverpanel.ie](http://www.irishtakeoverpanel.ie) or contact the Irish Takeover Panel on telephone number +353 1 678 9020 or fax number +353 1 678 9289.

#### **No profit forecasts, estimates or asset valuations**

No statement in this Announcement is intended as a profit forecast or estimate for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share, for Epiris, Bidco or IFG, respectively for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Epiris, Bidco or IFG, respectively. No statement in this Announcement constitutes an asset valuation.

#### **Right to switch to a Takeover Offer**

Bidco reserves the right to elect, subject to the terms of the Transaction Agreement and with the consent of the Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued share capital of IFG as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendments referred to in Appendix C to this Announcement and in the Transaction Agreement.

**Publication on website**

Pursuant to Rule 2.6(c) of the Takeover Rules, this Announcement will be made available to Epiris' employees on Epiris' website ([www.epiris.co.uk](http://www.epiris.co.uk)) and to IFG employees on IFG's website ([www.ifggroup.com](http://www.ifggroup.com)).

Neither the content of this website nor the content of any other website accessible from hyperlinks on such website is incorporated into, or forms part of, this Announcement.

**Rounding**

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

**General**

The laws of the relevant jurisdictions may affect the availability of the Acquisition to persons who are not resident in Ireland or the United Kingdom. Persons who are not resident in Ireland or the United Kingdom, or who are subject to laws of any jurisdiction other than Ireland or the United Kingdom, should inform themselves about, and observe, any applicable legal or regulatory requirements. Any failure to comply with the applicable legal or regulatory requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility and liability for the violation of such restrictions by any person.

The Acquisition will not be made available, directly or indirectly, in a Restricted Jurisdiction, and the Acquisition will not be capable of acceptance from within a Restricted Jurisdiction.

The release, publication or distribution of this Announcement in or into certain jurisdictions may be restricted by the laws of those jurisdictions. Accordingly, copies of this Announcement and all other documents relating to the Acquisition are not being, and must not be, released, published, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction. Persons receiving such documents (including, without limitation, nominees, trustees and custodians) should observe these restrictions. Failure to do so may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the Epiris Group, Bidco and IFG disclaim any responsibility or liability for the violations of any such restrictions by any person.

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**25 March 2019**

**RECOMMENDED CASH OFFER**

**FOR**

**IFG GROUP PLC**

**BY**

**SAINTMICHELCO LIMITED**

**A WHOLLY-OWNED INDIRECT SUBSIDIARY OF  
FUNDS ADVISED BY EPIRIS LLP**

**TO BE IMPLEMENTED BY MEANS OF A SCHEME OF ARRANGEMENT  
UNDER CHAPTER 1 OF PART 9 OF THE COMPANIES ACT 2014**

**1 Introduction**

The boards of directors of Bidco and IFG are pleased to announce that they have reached agreement on the terms of a recommended cash offer, pursuant to which Bidco will acquire the entire issued and to be issued share capital of IFG, which is being implemented by means of a scheme of arrangement under Chapter 1 of Part 9 of the Act.

**2 Summary Terms of the Acquisition**

2.1 The Acquisition is subject to the Conditions set out in Appendix C to this Announcement and to be set out in the Scheme Document.

2.2 Under the terms of the Acquisition, IFG Shareholders will be entitled to receive:

**for each IFG Ordinary Share                      £1.93 in cash**

2.3 The Acquisition values the entire issued and to be issued ordinary share capital of IFG at approximately **£206 million**. The Acquisition represents:

- 2.3.1 a premium of approximately 46 per cent. to IFG's closing share price of £1.325 on 22 March 2019 (being the last practicable date prior to the publication of this Announcement);
  - 2.3.2 a premium of approximately 44 per cent. to IFG's volume weighted average share price of approximately £1.34 over the one month period ended on 22 March 2019;
  - 2.3.3 a premium of approximately 42 per cent. to IFG's volume weighted average share price of approximately £1.36 over the three month period ended on 22 March 2019; and
  - 2.3.4 a multiple of approximately 21.4 times of IFG's adjusted after tax earnings for the year ended 31 December 2018.
- 2.4 In consideration of these payments, the IFG Ordinary Shares will be cancelled and IFG will issue new IFG Ordinary Shares to Bidco.
  - 2.5 If any dividend or other distribution is authorised, declared, made or paid in respect of the IFG Ordinary Shares on or after the date of this Announcement, Bidco reserves the right to reduce the Consideration by the aggregate amount of such dividend or other distribution.
  - 2.6 The sources and bases of information contained in this Announcement to calculate the implied value of the Acquisition, are set out in Appendix A.

### **3 IFG Recommendation**

- 3.1 Having taken into account the relevant factors and applicable risks, the IFG Board who have been so advised by Evercore and Goodbody, financial advisers to IFG, consider the terms of the Acquisition as set out in this Announcement to be fair and reasonable. In providing such advice, Evercore and Goodbody have taken into account the commercial assessments of the IFG Directors. Evercore and Goodbody are providing independent financial advice to the IFG Directors for the purposes of Rule 3 of the Takeover Rules.
- 3.2 Accordingly, the IFG Board unanimously recommends that IFG Shareholders vote in favour of the Acquisition and all of the Resolutions, as they intend to do in respect of their own beneficial holdings of, in aggregate, 874,879 IFG Ordinary Shares, which represent, in aggregate, approximately 0.83 per cent. of the existing issued share capital of IFG as at 22 March 2019 (being the last practicable date prior to the release of this Announcement).

### **4 Irrevocable Commitments**

- 4.1 Bidco has received irrevocable undertakings from each of the IFG Directors to vote in favour of the Scheme at the Scheme Meeting and each of the EGM Resolutions to be proposed at the Extraordinary General Meeting in respect of their own beneficial holdings of, in aggregate, 874,879 IFG Ordinary Shares, which represent, in aggregate, approximately 0.83 per cent. of the issued share capital of IFG as at 22 March 2019 (being the last practicable date prior to the release of this Announcement).

- 4.2 In addition, Bidco has received an irrevocable undertaking to vote in favour of the Scheme at the Scheme Meeting and each of the EGM Resolutions to be proposed at the Extraordinary General Meeting from the following IFG Shareholder:

<b>Holder (as at 22 March 2019)</b>	<b>Number of IFG Ordinary Shares</b>	<b>% of IFG Issued Ordinary Shares in Issue (Excl. Treasury Shares)</b>
Crownway Capital ULC (a company owned and controlled by John Gallagher and his Connected Persons)	10,166,816	9.65

- 4.3 Therefore, in aggregate with the irrevocable undertakings received from the IFG Directors, Bidco has received irrevocable undertakings and other commitments of 11,041,695 IFG Ordinary Shares that represent approximately 10.48 per cent. of the issued share capital of IFG on 22 March 2019 (being the last practicable date prior to the release of this Announcement).

- 4.4 The irrevocable undertakings received from each of the IFG Directors will cease to have effect on the earlier to occur of (i) this Announcement not being released on 25 March 2019 or such later date as Bidco and IFG may agree; or (ii) the Transaction Agreement being terminated in accordance with its terms;

- 4.5 The irrevocable undertaking received from Crownway Capital ULC will cease to have effect on the earlier to occur of (i) this Announcement not being released on or by 25 March 2019; or (ii) any third party announcing a firm intention to make a general offer to acquire the entire issued and to be issued share capital of IFG (not already owned by such third party) with a value per share in cash (or equivalent to cash) of £2.12 or more; or (iii) the Transaction Agreement being terminated in accordance with its terms.

## 5 **IFG Background to and Reasons for Recommending the Acquisition**

- 5.1 In recommending the Acquisition, the Directors, who have been advised by Evercore and Goodbody, have considered, inter alia, the following factors set out below.

### ***Recent Period***

- 5.2 During the past 5 years, IFG has evolved from being a diversified Irish and UK financial services business to a more focused group, comprising two largely self-reliant businesses (James Hay and Saunderson House). The IFG Directors believe that both James Hay and Saunderson House are well positioned standalone businesses and operate in attractive markets.

- 5.3 Whilst the IFG Group recorded good growth in adjusted operating profits in 2018, it has faced a number of challenges and change during the last twelve months including significant legacy matters, a cancelled sales process for Saunderson House and a change of IFG Group leadership.

- 5.4 The legacy matters to which the IFG Group is exposed include the potential sanction charge relating to Elysian Fuels, where the maximum charge would be approximately £20 million plus interest, as well as other issues such as the dual trustee SIPP/SSAS book, where the Group has announced today a £4.9 million provision. Resolution of these items has also added further exceptional costs.
- 5.5 In December 2018, in order to provide greater clarity to investors on the outlook and strategy for the IFG Group and its subsidiaries, IFG released a strategy and trading update announcement. IFG outlined its focus on developing two attractively positioned and self-reliant businesses while at the same time delivering operational and cost efficiencies within the group function. Both businesses put in place comprehensive business plans, with clear growth targets, and IFG stated that it would continue to focus on the resolution of legacy matters within James Hay as a priority.
- 5.6 As announced in the preliminary results, for the year ended 31 December 2018, the IFG Group reported revenue of £87.6 million (2017: £78.4 million), adjusted operating profit of £12.4 million (2017: £10.5 million), profit before tax of £0.5 million (2017: £(0.4) million) and a post tax loss of £1.0 million (2017: post tax loss of £0.4 million).

### ***Outlook***

- 5.7 The IFG Directors considered the current trading and outlook for IFG as outlined in the preliminary results for the year ended 31 December 2018 and the growth targets set out in the strategy and trading Update in December 2018.
- 5.8 The IFG Directors remain confident that the Group's existing strategy would deliver future value for IFG Shareholders. However, they also believe that the terms of the Acquisition acknowledge the quality of IFG's business and the strength of its future prospects and that the Consideration represents an attractive opportunity for shareholders to realise an immediate and attractive cash value, at a significant premium, for their shareholding in IFG today.
- 5.9 In addition, while the IFG Directors believe IFG is well positioned going forward, the Directors are mindful of potential industry challenges including an evolving regulatory environment, the requirement for ongoing investment in technology and infrastructure and the need for further economies of scale to improve profit margins.

### ***The Consideration***

- 5.10 The Acquisition values the entire issued and to be issued ordinary share capital of IFG at approximately £206 million. The Acquisition represents:
- 5.10.1 a premium of approximately 46 per cent. to IFG's closing share price of £1.325 on 22 March 2019 (being the last practicable date prior to the publication of this Announcement);
- 5.10.2 a premium of approximately 44 per cent. to IFG's volume weighted average share price of approximately £1.34 over the one month period ended on 22 March 2019;

- 5.10.3 a premium of approximately 42 per cent. to IFG's volume weighted average share price of approximately £1.36 over the three month period ended on 22 March 2019; and
- 5.10.4 a multiple of approximately 21.4 times IFG's adjusted after tax earnings for the year ended 31 December 2018.

***Alternative options***

- 5.11 The IFG Directors, in conjunction with IFG's financial advisers, Evercore and Goodbody, conducted a comprehensive review of the options available to IFG. The review considered, amongst other options, a Demerger of IFG and the sale of James Hay and / or Saunderson House. Taking into account the options available to IFG, the feasibility and execution risks arising and the time-frame to achieve such alternative options (including the prolonged time-frame for a Demerger), the IFG Directors have concluded that the terms of the Acquisition are in the best interests of IFG Shareholders.

***Additional factors***

- 5.12 Additional factors that have also been taken into consideration by the IFG Directors include:
  - 5.12.1 they believe that the Acquisition provides liquidity at a fair and reasonable price for IFG Shareholders;
  - 5.12.2 they believe the Acquisition provides value certainty for shareholders at a significant premium and removes the uncertainty for shareholders arising from James Hay's legacy matters, including Elysian Fuels and its dual trustee SIPP / SSAS book, which may otherwise take significant time to resolve;
  - 5.12.3 they believe that due to the uncertainty arising from James Hay's legacy matters, it would be unlikely that the Board would recommence dividend payments until such uncertainty has been resolved and IFG has sufficient capital resources and cash in place, taking account of such legacy matters;
  - 5.12.4 they have considered IFG's current and projected capital position and believe that the Acquisition provides IFG, James Hay and Saunderson House with increased access to capital to support growth; and
  - 5.12.5 they believe the Acquisition provides James Hay and Saunderson House with enhanced financial and operational flexibility as the businesses seek to execute their respective strategies.

***Summary***

- 5.13 The foregoing summary of the factors considered by the IFG Board is not intended to be exhaustive but does set forth the principal factors considered by the IFG Board. The IFG Board collectively reached the unanimous conclusion to recommend the Acquisition in the light of the various factors described above. In view of the wide variety of factors considered by the IFG Board in connection with its evaluation of the

Acquisition and the complexity of these matters, the IFG Board did not consider it practical and did not attempt to quantify, rank or otherwise assign relative weights to the specific factors it considered in reaching its decision. Rather, the IFG Board makes its recommendation based on the totality of information presented to, and the investigation conducted by, it with the assistance of its advisers.

## **6 Epiris LLP's Background to and Rationale for the Acquisition**

6.1 Epiris has actively tracked the UK wealth management sector and believes that IFG represents an exciting opportunity to invest in well-established businesses positioned in attractive markets, with strong underlying cashflow. Epiris has successfully transformed a number of businesses and believes that under private ownership and supported by Epiris' expertise in the sector, James Hay and Saunderson House will be better able to capitalise on potential opportunities within their core markets.

## **7 Information on Epiris and Bidco**

7.1 Epiris is one of the longest-established private equity firms in the UK. Formerly known as Electra Partners, Epiris managed the FTSE 250-listed investment trust Electra Private Equity PLC until 2017, and in 2018 Epiris announced the final close of Epiris Fund II, an institutional private equity fund that attracted capital commitments totalling £821 million from some of the world's leading investors.

7.2 Epiris invests in UK-headquartered businesses with an enterprise value of between £75 million and £500 million. It has a strong track record of transforming businesses in partnership with exceptional management teams. Its approach is to focus on strategic clarity, operational excellence, growth acceleration and M&A.

7.3 Bidco is a wholly-owned indirect subsidiary of the Epiris Funds. Bidco is Jersey incorporated, has been incorporated solely for the purposes of effecting the Acquisition and has only entered into certain agreements in connection with the Acquisition, details of which are contained in paragraphs 4, 11 and 13 of this Announcement.

## **8 Information on IFG**

8.1 IFG is a financial services holding company with full market listings in London and Dublin. IFG's businesses provide financial solutions to end customers and financial advisers. James Hay provides investment platform and pensions administration services and Saunderson House delivers independent financial advice.

8.2 As at 31 December 2018, IFG had £30.2 billion of assets under advice or administration across James Hay (£25.3 billion of assets under administration) and Saunderson House (£4.9 billion of assets under advice). In the year ended 31 December 2018, IFG reported an adjusted operating profit of £12.4 million and, on a statutory basis, a post tax loss of £1.0 million. IFG generated operating free cash flow of £6.6 million and net cash flow (after interest, retention payments and head office restructuring costs) of £3.1 million for the year ended 31 December 2018.

## 9 **Structure of the Acquisition**

### 9.1 **Scheme**

9.1.1 It is intended that the Acquisition will be effected by a High Court-sanctioned scheme of arrangement in accordance with Chapter 1 of Part 9 of the Companies Act 2014. Under the Scheme, all IFG Ordinary Shares held by IFG Shareholders will be cancelled pursuant to Article 54 of IFG's Articles of Association and sections 84 to 86 of the Companies Act 2014 in accordance with the terms of the Scheme. IFG will then issue new IFG Ordinary Shares to Bidco in place of the IFG Ordinary Shares that were cancelled pursuant to the Scheme and the Reduction of Capital and Bidco will pay the Consideration for the Acquisition to the IFG Shareholders.

9.1.2 As a result of these arrangements, IFG will become a wholly-owned subsidiary of Bidco.

### 9.2 **Application to the High Court to sanction the Scheme**

9.2.1 Once the approvals of the IFG Shareholders have been obtained at the Scheme Meeting and the Extraordinary General Meeting, and the other Conditions have been satisfied or (where applicable) waived, the Scheme must be sanctioned by the High Court at the Court Hearing.

9.2.2 The Scheme will become Effective in accordance with its terms on delivery to the Registrar of Companies of the Court Order together with the minute required by Section 86 of the Act confirming the Reduction of Capital to take place in connection with the Acquisition and the Reduction of Capital becomes effective upon the registration of the Court Order and minute by the Registrar of Companies. Upon the Scheme becoming Effective, it will be binding on all IFG Shareholders, irrespective of whether or not they attended or voted at the Scheme Meeting or Extraordinary General Meeting, or whether they voted in favour of or against the Scheme.

### 9.3 **Full details of the Scheme to be set out in the Scheme Document**

9.3.1 The Scheme will be governed by the laws of Ireland. The Scheme will be subject to the applicable requirements of the Takeover Rules and, where relevant, the Act.

9.3.2 The Scheme is subject to the satisfaction (or, where applicable, waiver) of the Conditions and the full terms and conditions to be set out in the Scheme Document. Further details of the Scheme will be set out in the Scheme Document, including the expected timetable and the action to be taken by IFG Shareholders.

### 9.4 **Conditions to the Acquisition**

The Acquisition shall be subject to the Conditions and further terms set out in full in Appendix C to this Announcement and to be set out in the Scheme Document.

## 9.5 **Scheme timetable/further information**

9.5.1 A full anticipated timetable will be set out in the Scheme Document.

9.5.2 At this stage, subject to the approval of the High Court and obtaining the necessary regulatory and other necessary approvals, Bidco expects the implementation of the Acquisition to occur in the second half of 2019.

## 10 **Effect of the Scheme on IFG Group Share Schemes**

In accordance with Rule 15 of the Takeover Rules, Bidco will make appropriate proposals to participants in IFG Share Plans in relation to the IFG Options. Participants will be contacted separately, at the time of publication of the Scheme Document, regarding the effect of the Acquisition on the IFG Options under the IFG Share Plans and the relevant details will be summarised in the Scheme Document.

## 11 **Financing of the Acquisition**

11.1 Bidco is providing the cash consideration payable under the Acquisition through a combination of equity financing drawn from the Epiris Funds as well as debt to be provided under a Facility B loan entered into with Ares Management Limited (as underwriter and mandated lead arranger), further details of which will be set out in the Scheme Document.

11.2 Bidco, Topco and the Epiris Funds (amongst others) entered into an Equity Subscription Agreement on 24 March 2019, pursuant to which, among other things, the Epiris Funds have agreed to provide equity financing to Topco, which will in turn be paid to Bidco, in order that Bidco can use the funds to finance part of the cash consideration payable under the Acquisition (with the remainder to be provided by the debt financing).

11.3 Houlihan Lokey, the financial adviser to Epiris and Bidco, is satisfied that sufficient resources are available to Bidco to satisfy in full the Consideration payable under the terms of the Acquisition.

## 12 **Management and Employees**

12.1 Bidco greatly values the skills, knowledge and expertise of IFG's existing management and employees. Bidco expects the existing personnel of IFG to continue to contribute to the business following completion of the Acquisition, and does not intend to initiate any material headcount reductions within the current IFG organisation as a result of the Acquisition.

12.2 Bidco confirms that, following the Scheme becoming effective, the existing contractual and statutory employment rights, including in relation to pensions, of all IFG management and employees will be fully safeguarded in accordance with applicable law. Bidco does not intend to make any material change to the conditions of employment of the employees of IFG.

12.3 Bidco has not entered into, and has not had discussion on proposals to enter into, any form of incentivisation arrangements with members of IFG's management. It is the

intention to put in place appropriate arrangements for management of IFG following completion of the Acquisition.

12.4 The current non-executive directors of IFG will resign from IFG on or after the Effective Date.

### 13 Acquisition Related Arrangements

#### 13.1 Transaction Agreement

13.1.1 Epiris GP, Bidco and IFG have entered into the Transaction Agreement which contains, amongst other things, certain obligations and commitments in relation to the implementation of the Acquisition and provisions in relations to the conduct of IFG's business up to the Effective Date. A summary of the principal terms of the Transaction Agreement will be set out in the Scheme Document.

13.1.2 The Transaction Agreement provides that where the IFG Board determines that an IFG Alternative Proposal that constitutes an IFG Superior Proposal has been received, IFG shall provide Bidco with an opportunity, for a period of three (3) Business Days following the time of delivery to Bidco of the Superior Proposal Notice to discuss in good faith the terms and conditions of the Transaction Agreement and the Transactions, including an increase in, or modification of, the Consideration, and such other terms and conditions such that the relevant IFG Alternative Proposal no longer constitutes an IFG Superior Proposal.

#### 13.2 Expenses Reimbursement Agreement

IFG has entered into an expenses reimbursement agreement, dated 24 March 2019, with Bidco and Epiris GP, the terms of which have been approved by the Panel. Under the Expenses Reimbursement Agreement, IFG has agreed to pay an amount equal to all documented, specific quantifiable third party costs and expenses incurred by Bidco, Epiris or any member of the Epiris Group, or on its behalf, for the purposes of, in preparation for, or in connection with the Acquisition, exploratory work carried out in contemplation of and in connection with the Acquisition, legal, financial, accounting and commercial due diligence, arranging financing and engaging advisers to assist in the process ("**Epiris Reimbursement Payments**") provided that the gross amount payable to Bidco shall not, in any event, exceed £2,000,000 (the "**Cap**"). The amount payable by IFG to Bidco under such provisions of the Expenses Reimbursement Agreement will exclude any amount in respect of VAT incurred by Bidco attributable to such third party costs to the extent that it is recoverable by Bidco.

The circumstances in which such payment will be made are:

13.2.1 the Transaction Agreement is terminated:

13.2.1.1 by Bidco for the reason that the IFG Board or any committee thereof:

(i) withdraws (or modifies in any manner adverse to Bidco), or fails to make when required pursuant to the

Transaction Agreement, or proposes publicly to withdraw (or modify in any manner adverse to Bidco), the Scheme Recommendation or, if applicable, the recommendation to the holders of IFG Shares from the IFG Board to accept the Takeover Offer; or

(ii) approves, recommends or declares advisable or proposes publicly to approve, recommend or declare advisable, any IFG Alternative Proposal (it being understood, for the avoidance of doubt, that the provision by IFG to Bidco of notice or information in connection with an IFG Alternative Proposal or IFG Superior Proposal as required or expressly permitted by the Transaction Agreement shall not, in and of itself, satisfy this paragraph 13.2.1.1(ii)); or

(iii) otherwise takes any action or discloses a position that is deemed to be a "IFG Change of Recommendation" under Clause 5.2(d) of the Transaction Agreement; or

13.2.1.2 by IFG, at any time prior to obtaining the IFG Shareholder Approval, in order to enter into any agreement, understanding or arrangement providing for an IFG Superior Proposal; or

13.2.2 all of the following occur:

13.2.2.1 prior to the Scheme Meeting, an IFG Alternative Proposal is formally publicly disclosed by IFG or any person shall have formally publicly announced an intention (whether or not conditional) to make an IFG Alternative Proposal and, in each case, such disclosure or announcement is not publicly and irrevocably withdrawn without qualification at least three Business Days before the date of the Scheme Meeting; and

13.2.2.2 the Transaction Agreement is terminated by Bidco for the reason that IFG shall have breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in the Transaction Agreement, which material breach or failure to perform:

(i) would result in a failure of any of the Conditions; and

(ii) if curable, is not cured within 30 days following Bidco's delivery of written notice to IFG of such breach or failure to perform; and

13.2.2.3 an IFG Alternative Proposal is consummated, or a definitive agreement providing for an IFG Alternative Proposal is entered into within 12 months after such termination and such IFG Alternative Proposal is consummated pursuant to that definitive agreement (in each case, regardless of

whether such IFG Alternative Proposal is the same IFG Alternative Proposal referred to in paragraph 13.2.2.1 above, but, if such IFG Alternative Proposal is not the same IFG Alternative Proposal referred to in paragraph 13.2.2.1, then a Demerger shall not be regarded as an IFG Alternative Proposal for this purpose; or

13.2.3 all of the following occur:

13.2.3.1 prior to the Scheme Meeting, an IFG Alternative Proposal is formally publicly disclosed by IFG or any person shall have formally publicly announced an intention (whether or not conditional) to make an IFG Alternative Proposal and, in each case, such disclosure or announcement is not publicly and irrevocably withdrawn without qualification at least three Business Days before the date of the Scheme Meeting;

13.2.3.2 the Transaction Agreement is terminated by either IFG or Bidco for the reason that the Scheme Meeting or the EGM shall have been completed and the Scheme Meeting Resolution or the EGM Resolutions, as applicable, shall not have been approved by the requisite majority of votes; and

13.2.3.3 an IFG Alternative Proposal referred to in paragraph 13.2.3.1 is consummated, or a definitive agreement providing for an IFG Alternative Proposal is entered into with the person referred to in paragraph 13.2.3.1 within twelve months after such termination and such IFG Alternative Proposal is consummated pursuant to that definitive agreement.

If and to the extent that any relevant Tax Authority determines that the Epiris Reimbursement Payment is consideration for a Taxable supply and that IFG is liable to account to a Tax Authority for VAT in respect of such supply and that all or any part of such VAT is Irrecoverable VAT, then (a) the amount payable by IFG by way of the Epiris Reimbursement Payment, together with any Irrecoverable VAT arising in respect of the supply for which the payment is consideration, shall not exceed the Cap; and (b) to the extent that IFG has already paid an amount in respect of the Epiris Reimbursement Payment which exceeds the amount described in (a) above, Bidco shall repay to IFG the portion of the Irrecoverable VAT in excess of the Cap. If Bidco makes any such repayments to IFG, and after making such a repayment, IFG becomes entitled to recover all, or any part, of the related VAT from the relevant Tax Authority, IFG shall notify Bidco without delay and, as soon as practicable, repay to Bidco the lesser of: (a) the amount recoverable from the Tax Authority; and (b) the sum paid by Bidco to IFG.

Evercore and Goodbody, financial advisers to IFG, along with the directors of IFG, have each confirmed in writing to the Panel that in their respective opinions in the context of the Note to Rule 21.2 of the Takeover Rules and the Acquisition, the Expenses Reimbursement Agreement is in the best interests of IFG Shareholders.

## 14 **Delisting and Cancellation of Trading of IFG Ordinary Shares**

- 14.1 An application will be made to the London Stock Exchange and Euronext prior to the Effective Date to cancel the admission of the IFG Ordinary Shares to trading on the Main Market of the London Stock Exchange and Euronext respectively, and to the FCA to cancel the listing of IFG Ordinary Shares on the FCA's Official List, with effect from shortly after the Effective Date, subject to and following the Scheme becoming effective.
- 14.2 It is intended that dealing in IFG Ordinary Shares on the London Stock Exchange and Euronext will be suspended on or around the Effective Date.
- 14.3 As soon as reasonably practicable after the Effective Date, it is intended that IFG will be re-registered as a private company limited by shares.

## 15 **Interests and Short Positions in IFG**

- 15.1 As at the close of business on 22 March 2019 (being the last practicable date prior to the release of this Announcement), none of Epiris, Bidco or, so far as Bidco is aware, any person Acting in Concert with Bidco:
- 15.1.1 had an interest in Relevant Securities of IFG;
  - 15.1.2 had any short position in any class of Relevant Securities of IFG;
  - 15.1.3 had received an irrevocable commitment or letter of intent to accept the terms of the Acquisition in respect of Relevant Securities of IFG other than as described in this Announcement; or
  - 15.1.4 had borrowed or lent any IFG Ordinary Shares.
- 15.2 Furthermore, no arrangement to which Rule 8.7 of the Takeover Rules applies exists between Epiris, Bidco or IFG or a person Acting in Concert with Epiris, Bidco or IFG in relation to Relevant Securities of IFG. For these purposes, an "arrangement to which Rule 8.7 of the Takeover Rules applies" includes any indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature, between two or more persons relating to Relevant Securities of IFG which is or may be an inducement to one or more of such persons to deal or refrain from dealing in such securities.
- 15.3 In the interests of confidentiality, Epiris and Bidco have made only limited enquiries in respect of certain parties who may be deemed by the Panel to be Acting in Concert with them for the purposes of the Acquisition. Further enquiries will be made to the extent necessary as soon as practicable following the date of this Announcement and any disclosure in respect of such parties will be included in the Scheme Document.

## 16 **Rule 2.10 Disclosure**

- 16.1 In accordance with Rule 2.10 of the Takeover Rules, IFG confirms that as at the close of business on 22 March 2019, being the last practicable date before this Announcement, it had 105,405,665 IFG Ordinary Shares in issue with voting rights,

with no IFG Ordinary Shares held in Treasury. The ISIN for the IFG Ordinary Shares is IE0002325243.

16.2 At that date there were outstanding IFG Options to subscribe for 3,224,772 IFG Ordinary Shares which have been granted by IFG.

## 17 **General**

17.1 The Acquisition and the Scheme will be made subject to the Conditions and the further terms and conditions to be set out in the Scheme Document. The Scheme Document will include full details of the Acquisition and will be accompanied by the appropriate forms of proxy and forms of direction.

17.2 Evercore, Goodbody, Macquarie and Houlihan Lokey have each given and not withdrawn their consent to the publication of this Announcement with the inclusion herein of the references to their names in the form and context in which they appear.

17.3 The Scheme Document and the forms of proxy and forms of direction will be despatched to IFG Shareholders as soon as practicable and, in any event, (save with the consent of the Panel) within 28 days of this Announcement. The Scheme Document will include full details of the Acquisition, together with the expected timetable, and will specify the necessary action to be taken by IFG Shareholders in order to vote in favour of the Scheme at the Scheme Meeting and the EGM.

17.4 The Acquisition will be governed by the laws of Ireland and will be subject to the requirements of the Takeover Rules and applicable Law. This Announcement is being made pursuant to Rule 2.5 of the Takeover Rules.

17.5 Appendix A to this Announcement contains further details of the sources of information and bases of calculations set out in this Announcement; Appendix B to this Announcement contains definitions of certain expressions used in this Announcement; Appendix C to this Announcement contains the Conditions of the Acquisition and the Scheme.

### **Enquiries:**

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**Statements required by the Takeover Rules**

The Epiris Responsible Persons and the Bidco Directors accept responsibility for the information contained in this Announcement other than that relating to IFG, the IFG Group and the IFG Directors and members of their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the Epiris Responsible Persons and the Bidco Directors (who, in each case, have taken all reasonable care to ensure that such is the case), the information contained in this Announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The IFG Directors accept responsibility for the information contained in this Announcement relating to IFG, the IFG Group and the IFG Directors and members of their immediate families, related trusts and persons connected with them. To the best of the knowledge and belief of the IFG Directors (who have taken all reasonable care to ensure such is the case), the information contained in this Announcement for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Houlihan Lokey (Corporate Finance) Limited ("Houlihan Lokey"), which is authorised and regulated by the Financial Conduct Authority in the UK, is acting exclusively as financial adviser to Epiris and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Epiris for providing the protections afforded to clients of Houlihan Lokey, or for providing advice in connection with the matters referred to herein. Neither Houlihan Lokey nor any of its subsidiaries or affiliates owes 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 Houlihan Lokey in connection with this Announcement or any matter referred to herein.

Evercore Partners International LLP ("Evercore"), which is authorised and regulated by the Financial Conduct Authority in the UK, is acting exclusively as financial adviser to IFG and no one else in connection with the matters described in this announcement and will not be responsible to anyone other than IFG for providing the protections afforded to clients of Evercore, or for providing advice in connection with the matters referred to herein. Neither Evercore nor any of its subsidiaries, branches or affiliates owes 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 Evercore in connection with this announcement or any matter referred to herein.

Goodbody Stockbrokers UC, trading as Goodbody ("Goodbody"), which is regulated by the Central Bank of Ireland and in the UK, Goodbody is authorised and subject to limited regulation by the Financial Conduct Authority, is acting exclusively for IFG and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than IFG for providing the protections afforded to clients of Goodbody, or for providing advice in connection with the matters referred to herein. Neither Goodbody nor any of its subsidiaries or affiliates owes 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 Goodbody in connection with this announcement or any matter referred to herein.

Macquarie Capital (Europe) Limited (“Macquarie”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for IFG and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than IFG for providing the protections afforded to clients of Macquarie, or for providing advice in connection with the matters referred to herein. Neither Macquarie nor any of its subsidiaries or affiliates owes 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 Macquarie in connection with this announcement or any matter referred to herein.

This Announcement is for information purposes only and is not intended to, and does not, constitute or form any part of any offer or invitation, or the solicitation of an offer, to purchase or otherwise acquire, subscribe for, sell or otherwise dispose of any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. The Acquisition will be made solely by means of the Scheme Document (or, if applicable, the Takeover Offer Document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any decision in respect of, or other response to, the Acquisition, should be made only on the basis of the information contained in the Scheme Document (or, if applicable, the Takeover Offer Document).

This Announcement does not constitute a prospectus or a prospectus equivalent document.

This Announcement has been prepared for the purpose of complying with the laws of Ireland and the Takeover Rules and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of Ireland.

#### **Cautionary Statement Regarding Forward-Looking Statements**

This Announcement contains certain forward-looking statements with respect to Epiris, Bidco and IFG. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “believe”, “will”, “may”, “would”, “could” or “should” or other words of similar meaning or the negative thereof. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, economic performance, financial conditions, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the operations of the Epiris Group or the IFG Group; and (iii) the effects of government regulation on the business of the Bidco and the Epiris Group or the IFG Group

These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. All subsequent oral or written forward-looking statements attributable to Bidco, Epiris or IFG or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Neither Bidco, Epiris nor IFG undertake any obligation to update publicly or revise forward-looking or other statements contained in this Announcement, whether as a result of new information, future events or otherwise, except to the extent legally required.

#### **Disclosure requirements of the Takeover Rules**

Under the provisions of Rule 8.3 of the Takeover Rules, if any person is, or becomes, “interested” (directly or indirectly) in, 1% or more of any class of “relevant securities” of IFG, all “dealings” in any “relevant securities” of IFG (including by means of an option in respect of, or a derivative referenced to, any such “relevant securities”) must be publicly disclosed by not later than 3:30 pm (Irish time) on the “business” day following the date of the relevant transaction. This requirement will continue until the date on which the “offer period” ends. If two or more persons cooperate on the basis of any agreement, either express or tacit, either oral or written, to acquire an “interest” in “relevant securities” of IFG, they will be deemed to be a single person for the purpose of Rule 8.3 of the Takeover Rules.

Under the provisions of Rule 8.1 of the Takeover Rules, all “dealings” in “relevant securities” of IFG by Epiris GP or Bidco, or by any party Acting in Concert with either of them, must also be disclosed by no later than 12 noon (Irish time) on the business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose “relevant securities” “dealings” should be disclosed, can be found on the Irish Takeover Panel’s website at [www.irishtakeoverpanel.ie](http://www.irishtakeoverpanel.ie).

“Interests in securities” arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an “interest” by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the Takeover Rules, which can also be found on the Irish Takeover Panel’s website. If you are in any doubt as to whether or not you are required to disclose a dealing under Rule 8, please consult the Irish Takeover Panel’s website at [www.irishtakeoverpanel.ie](http://www.irishtakeoverpanel.ie) or contact the Irish Takeover Panel on telephone number +353 1 678 9020 or fax number +353 1 678 9289.

#### **No profit forecasts, estimates or asset valuations**

No statement in this Announcement is intended as a profit forecast or estimate for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share, for Epiris, Bidco or IFG, respectively for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Epiris, Bidco or IFG, respectively. No statement in this Announcement constitutes an asset valuation.

#### **Right to switch to a Takeover Offer**

Bidco reserves the right to elect, subject to the terms of the Transaction Agreement and with the consent of the Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued share capital of IFG as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendments referred to in Appendix C to this Announcement and in the Transaction Agreement.

#### **Publication on website**

Pursuant to Rule 2.6(c) of the Takeover Rules, this Announcement will be made available to Epiris employees on Epiris’ website ([www.epiris.co.uk](http://www.epiris.co.uk)) and IFG employees on IFG’s website ([www.ifgroup.com](http://www.ifgroup.com)).

Neither the content of this website nor the content of any other website accessible from hyperlinks on such website is incorporated into, or forms part of, this Announcement.

#### **Rounding**

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

#### **General**

The laws of the relevant jurisdictions may affect the availability of the Acquisition to persons who are not resident in Ireland or the United Kingdom. Persons who are not resident in Ireland or the United Kingdom, or who are subject to laws of any jurisdiction other than Ireland or the United Kingdom, should inform themselves about, and observe, any applicable legal or regulatory requirements. Any failure to comply with the applicable legal or regulatory requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility and liability for the violation of such restrictions by any person.

The Acquisition will not be made available, directly or indirectly, in a Restricted Jurisdiction, and the Acquisition will not be capable of acceptance from within a Restricted Jurisdiction.

The release, publication or distribution of this Announcement in or into certain jurisdictions may be restricted by the laws of those jurisdictions. Accordingly, copies of this Announcement and all other documents relating to the Acquisition are not being, and must not be, released, published, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction. Persons receiving such documents (including, without limitation, nominees, trustees and custodians) should observe these restrictions. Failure to do so may constitute a violation of the

securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the Epiris Group, Bidco and IFG disclaim any responsibility or liability for the violations of any such restrictions by any person.

## APPENDIX A

### SOURCES AND BASES OF INFORMATION

In this Announcement, unless otherwise stated or the context otherwise requires, the basis of calculation and sources of information are as described below.

- 1 The financial information relating to IFG is extracted from the IFG preliminary results for the period ended 31 December 2018 which has been extracted from the 2018 audited annual report and accounts.
- 2 The value of the Acquisition is based upon the Consideration due under the terms of the Acquisition and on the basis of the issued and to be issued share capital of IFG referred to in paragraph 3 below.
- 3 The issued and to be issued share capital of IFG is calculated on the basis of:
  - 3.1 the number of issued IFG Ordinary Shares as at the close of business on 22 March 2019 (being the last practicable date prior to the release of this Announcement), being 105,405,665 IFG Ordinary Shares (excluding shares in Treasury); and
  - 3.2 any further IFG Ordinary Shares which may be issued on or after the date of this Announcement on the exercise of IFG Options, which options have been, or are expected to be, granted on or before the Effective Date (excluding any outstanding IFG Options which shall in accordance with their terms not vest nor become exercisable as a result of the Acquisition), amounting in aggregate up to 1,451,840 IFG Ordinary Shares.
- 4 Unless otherwise stated, all prices for IFG Ordinary Shares are the Closing Price for the relevant dates.
- 5 The prices of IFG Ordinary Shares used for the premium calculations are:
  - 5.1 £1.325, being IFG's closing share price from the London Stock Exchange on 22 March 2019 (the last practicable date prior to the publication of this Announcement);
  - 5.2 approximately £1.34, being IFG's volume weighted average share price over the one month period ended 22 March 2019; and approximately £1.36, being IFG's volume weighted average share price over the three month period ended 22 March 2019.
- 6 Where applicable volume weighted average share price is calculated as total value traded in a given period divided by total volume traded in that period. In this regard, total value traded is calculated on the basis of multiplying the daily volume weighted average price by the daily volume traded and aggregating for the relevant period. All values from Euronext have been converted from EUR values to GBP values at the prevailing exchange on the respective day.
- 7 The multiple of approximately 21.4 times IFG's adjusted after tax earnings for the year ended 31 December 2018 is calculated as the Consideration multiplied by the issued and to be issued share capital of IFG, as set out in paragraph 3 above, divided by IFG's 2018 adjusted after tax earnings of £9.632 million.

## APPENDIX B

### DEFINITIONS

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

**“2010 Plan”**: the IFG Company Share Option Plan (UK) 2010;

**“2015 Plan”**: the IFG 2015 Share Option Plan;

**“Acquisition”**: the proposed acquisition by Bidco of IFG by means of the Scheme (as described in this Announcement) or a Takeover Offer (and any such Scheme or Takeover Offer as it may be revised, amended or extended from time to time) (including the payment by Bidco of the aggregate cash consideration pursuant to the Scheme or such Takeover Offer) pursuant to the Transaction Agreement;

**“Act”**: means the Companies Act 2014, all enactments which are to be read as one with, or construed or read together as one with the Companies Act 2014 and every statutory modification and re-enactment thereof for the time being in force;

**“Acting in Concert”**: has the meaning given to the term “persons acting in concert” in Regulation 8(2) of the Takeover Regulations;

**“Announcement”**: this announcement, made in accordance with Rule 2.5 of the Takeover Rules, dated 25 March 2019, including its summary and appendices;

**“Articles of Association”**: the articles of association of IFG as filed with the Registrar of Companies;

**“Benefit Plan”**: each (i) employee benefit plan, (ii) bonus, share option, share purchase, share ownership, restricted share, equity, phantom-equity or other equity-based, incentive, deferred compensation, retirement, pension, profit sharing, retiree medical, life insurance, supplemental retirement, vacation, medical, dental, vision, prescription, cafeteria, fringe benefit, relocation or expatriate benefit, perquisite, disability, accident, leave, employee assistance, supplemental unemployment benefit or other compensation or benefit plans, programs, agreements or arrangements, and (iii) employment, termination, severance, redundancy, layoff, change in control, salary continuation, transaction bonus, retention or other plans, programs, agreements or arrangements, in each case whether written or oral, and whether for the benefit of one individual or more than one individual;

**“Bidco”**: SaintMichelCo Limited, a private limited liability company incorporated in Jersey with registered number: 128540 and having its registered office at Aztec Group House, 11-15 Seaton Place, St Helier, Jersey, JE4 0QH;

**“Bidco Directors”**: the members of the board of directors of Bidco;

**“Business Day”**: any day, other than a Saturday, Sunday or public holiday in Dublin or London;

**“Clearances”**: all consents, licences, authorisations, clearances, approvals, permissions, permits, non-actions, qualifications, orders and waivers required to be obtained from and issued

by, and all registrations, applications, notices, submissions and filings required to be made with or provided to, any Person;

**“Closing Price”**: the closing price for an IFG Ordinary Share at the close of business on the day to which the price relates, derived from Bloomberg for that day;

**“Completion”**: the completion of the Scheme in accordance with the terms and conditions of the Transaction Agreement;

**“Concert Parties”**: in relation to any Party, such persons as are deemed to be Acting in Concert with that Party pursuant to Rule 3.3 of Part A of the Takeover Rules and such persons as are Acting in Concert with that Party;

**“Conditions”**: the conditions to the Scheme and the Acquisition set out in Appendix C of this Announcement and **“Condition”** means any one of them;

**“Connected Persons”**: has the meaning given to it in Section 220 of the Act;

**“Consideration”**: the £1.93 per IFG Ordinary Share to be paid pursuant to the Scheme to IFG Shareholders;

**“Court Hearing”**: the hearing by the High Court of the Petition to sanction the Scheme under Section 453 of the Act;

**“Court Order”**: the order or orders of the High Court sanctioning the Scheme under Section 453 of the Act and confirming the related reduction of capital that forms part of it under Sections 84 and 85 of the Act;

**“Disclosed”**: the information disclosed by or on behalf of IFG (i) in the IFG Annual Report; (ii) in this Announcement, (iii) in any other public announcement, by or on behalf of IFG (in each case) prior to the date of this Announcement; or (iv) as otherwise disclosed to Bidco (or its officers, employees, agents or advisors) prior to the date of this Announcement (including the information disclosed in the data room made available by IFG to Bidco prior to the date of this Announcement);

**“Demerger”**: means a bona fide demerger of either James Hay or Saunderson House which results in the ownership of IFG and the ownership of the demerged entity being the same immediately after the occurrence of the demerger;

**“EEA”**: European Economic Area;

**“Effective”**: in the context of the Acquisition: (i) if the Acquisition is implemented by way of a Scheme, the Scheme having become effective in accordance with its terms, upon the delivery to the Registrar of Companies of the Court Order together with the minute required by Section 86 of the Act confirming the Reduction of Capital and such Reduction of Capital having become effective upon the registration of the Court Order and minute by the Registrar of Companies; or (ii) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer having been declared or become unconditional in all respects in accordance with the requirements of the Takeover Rules;

**“Effective Date”**: (i) the date on which the Scheme becomes effective in accordance with its terms or (ii) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer

having become (or having been declared) unconditional in all respects in accordance with the provisions of the Takeover Offer Documents and the requirements of the Takeover Rules;

**“Effective Time”**: the time on the Effective Date at which the Court Order is delivered to and a copy of the minute required by Section 86 of the Act are registered by the Registrar of Companies or, as the case may be, the Takeover Offer becomes or is declared unconditional in all respects;

**“EGM Resolutions”**: the resolutions to be proposed at the EGM for the purposes of approving and implementing the Scheme, the related reduction of capital of IFG, changes to the Articles of Association, including as contemplated by Clause 4.3 of the Transaction Agreement, and such other matters as IFG reasonably determines to be necessary for the purposes of implementing the Acquisition or, subject to the consent of Bidco, desirable for the purposes of implementing the Scheme or the Acquisition;

**“End Date”**: 30 September 2019 or such later date as Bidco and IFG may, with (if required) the consent of the Panel, agree and (if required) the High Court may allow, unless IFG or Bidco shall have terminated the Transaction Agreement in accordance with Clause 9 of the Transaction Agreement, in which case the date shall be the date of such termination;

**“Epiris”**: Epiris LLP a limited liability partnership, registered in England and Wales with registered number OC412384;

**“Epiris GP”**: Epiris GP Limited, a limited liability company incorporated in Jersey with registered number 122884 having its registered office at Aztec Group House, 11-15 Seaton Place, St Helier, Jersey JE4 0QH;

**“Epiris Funds”**: Epiris Fund II LP, Epiris Fund II (B) LP, Epiris Fund II FFP LP and Epiris TC LP, each acting by Epiris GP in its capacity as general partner of each such fund;

**“Epiris Group”**: (i) Epiris GP; (ii) any person or entity, other than any Portfolio Company, that is controlled by, controlling or under common control with Epiris GP; (iii) any partnership, unit trust or fund managed or advised by Epiris or any of its group companies (excluding any Portfolio Company); or (iv) any new company incorporated by Epiris GP or one of the foregoing entities (other than any Portfolio Company) for the purposes of the Acquisition;

**“Epiris Responsible Persons”**: means the following persons who are members of the Epiris Investment Committee (along with their respective positions): Alex Cooper-Evans (Partner), Charles Elkington (Partner), Alex Fortescue (Managing Partner), Chris Hanna (Partner), Stephen Ozin (Partner), Bill Priestley (Chief Investment Partner), Owen Wilson (Partner) and Ian Wood (Partner);

**“Euronext”**: the Main Securities Market operated by the Irish Stock Exchange plc, trading as Euronext Dublin;

**“Euronext Listing Rules”**: the Euronext Dublin Listing Rules for companies published by the Irish Stock Exchange plc, trading as Euronext Dublin, as amended from time to time;

**“EU”**: the European Union;

**“Evercore”**: Evercore Partners International LLP;

**“Expenses Reimbursement Agreement”**: the expenses reimbursement agreement dated the date hereof between Bidco, Epiris GP and IFG, the terms of which have been approved by the Panel;

**“Extraordinary General Meeting” or “EGM”**: the extraordinary general meeting of the IFG Shareholders (and any adjournment thereof) to be convened in connection with the Scheme, expected to be convened as soon as the preceding Scheme Meeting shall have been concluded or adjourned (it being understood that if the Scheme Meeting is adjourned, the EGM shall be correspondingly adjourned);

**“FCA”**: the UK Financial Conduct Authority

**“Final Recommendation Change Notice”**: has the meaning given to that term in Clause 5.2(e) of the Transaction Agreement;

**“FSMA”**: the UK Financial Services and Markets Act 2000 (as it may have been, or may from time to time be, amended, modified, re-enacted or replaced).

**“Goodbody”**: Goodbody Stockbrokers UC (trading as Goodbody);

**“Governmental Body”**: any Irish, UK, foreign or supranational, federal, state, local or other governmental or regulatory authority, agency in any jurisdiction, commission, board, body, bureau, arbitrator, arbitration panel, or other authority, agency, including courts and other judicial bodies, or any competition, antitrust, foreign investment review or supervisory body, central bank or other governmental, trade or regulatory agency or body, securities exchange or any self-regulatory body or authority, including any instrumentality or entity designed to act for or on behalf of the foregoing, in each case, in any jurisdiction (provided it has jurisdiction over the applicable Person or its activities or property);

**“Group”**: in relation to any body corporate, means any bodies corporate which are holding companies or wholly owned subsidiaries (as such terms are defined in the Act) or subsidiary undertakings (as such terms are defined in the Act) of it or of any such holding company;

**“High Court”**: the High Court of Ireland;

**“Houlihan Lokey”**: Houlihan Lokey (Corporate Finance) Limited;

**“IFG”**: IFG Group plc, a public company registered in the Republic of Ireland with registration number 21010 and with its registered address at 70 Sir John Rogerson’s Quay, Grand Canal Dock, Dublin 2, Ireland;

**“IFG Alternative Proposal”**: means any bona fide proposal or bona fide offer, which proposal or offer may be subject to due diligence, definitive documentation or both, made by any person (other than a proposal or offer pursuant to Rule 2.5 of the Takeover Rules by Bidco or any of its Concert Parties) for: (a) a merger, reorganisation, share exchange, consolidation, business combination, recapitalisation, dissolution, liquidation or similar transaction involving IFG that, if consummated, would result in any Person beneficially owning shares with more than 20% of the voting power of IFG; (b) the direct or indirect acquisition by any Person of more than either (i) 20% of the value of the assets of the IFG Group; (ii) all or substantially all of the assets or issued share capital of James Hay; or (iii) all or substantially all of the assets or issued share capital of Saunderson House, in each case taken as a whole; or (c) the direct or indirect acquisition by any Person of more than 20% of the voting power or the issued share capital of

IFG, including any offer or exchange offer that if consummated would result in any Person beneficially owning shares with more than 20% of the voting power of IFG (save that for the purposes of the description of the Expenses Reimbursement Agreement contained in paragraph 12 of this Announcement, each reference to 20% set forth above shall be deemed to refer to 50%);

**“IFG Annual Report”**: the annual report and financial statements of IFG for the year ended 31 December 2017;

**“IFG Board”**: the board of directors of IFG from time to time and for the time being;

**“IFG Change of Recommendation”**: has the meaning given to that term in clause 5.2(d) of the Transaction Agreement;

**“IFG Directors”**: the members of the IFG Board;

**“IFG Employees”**: the employees of IFG or any Subsidiary of IFG who remain employed after the Effective Time;

**“IFG Group”**: IFG and any Subsidiary of IFG;

**“IFG Group Share Schemes”**: the 2010 Plan and the 2015 Plan;

**“IFG Options”**: the outstanding options both vested and unvested to subscribe for IFG Ordinary Shares pursuant to the IFG Group Share Schemes;

**“IFG Ordinary Shares”**: the ordinary shares of €0.12 each and the “A” ordinary shares of €1.27 each in the capital of IFG and any further such shares which are unconditionally allotted or issued before the date on which the Scheme is effective;

**“IFG Share Plans”**: the 2010 Plan and the 2015 Plan;

**“IFG Shareholder Approval”**: (a) the approval of the Scheme Meeting Resolution by a majority in number of IFG Shareholders representing at least 75% or more in value of IFG Shares held by such IFG Shareholders, present and voting either in person or by proxy, at the requisite Scheme Meeting (or at any adjournment of such meeting); and (b) the EGM Resolutions being duly passed by the requisite majorities of IFG Shareholders present and voting either in person or by proxy at the EGM (or at any adjournment of such meeting);

**“IFG Shareholders”**: the holders of IFG Ordinary Shares;

**“IFG Superior Proposal”**: a written bona fide IFG Alternative Proposal (where each reference to 20% set forth in the definition of such term shall be deemed to refer to 50%, but provided that such IFG Alternative Proposal may not be subject to due diligence or definitive documentation (other than the execution thereof)) that the IFG Board determines in good faith (after consultation with IFG’s financial advisers and outside legal counsel) is more favourable to the IFG Shareholders than the Transactions, taking into account such financial (including, where such IFG Alternative Proposal is not in respect of an acquisition of the entire issued and outstanding share capital of IFG, the total proceeds and value that may be due to IFG Shareholders), regulatory, legal, structuring, timing and other aspects of such proposal as the IFG Board considers to be appropriate;

**“Indebtedness”**: the outstanding principal amount of, accrued and unpaid interest on, and other payment obligations arising under any borrowing or guarantee owed to any bank or credit institution or payable under any bond or transferable security;

**“Ireland”**: means the island of Ireland, excluding Northern Ireland (the counties of Antrim, Armagh, Derry, Down, Fermanagh and Tyrone), and the word **“Irish”** shall be construed accordingly;

**“Irrecoverable VAT”**: in relation to any person, any amount in respect of VAT which that person (or a member of the same VAT Group as that person) has incurred and in respect of which neither that person nor any other member of the same VAT Group as that person is entitled to a refund (by way of credit or repayment) from any relevant Tax Authority pursuant to and determined in accordance with section 59 of the Value Added Tax Consolidation Act 2010 and any regulations made under that Act or similar provision in any other jurisdiction;

**“ISIN”**: International Securities Identification Number;

**“James Hay”**: the pension administration and investment platform services undertaking operating within the IFG Group under the “James Hay” brand;

**“JFSC”**: Jersey Financial Services Commission;

**“Law”**: any applicable federal, state, local, municipal, foreign, supranational or other law, statute, constitution, principle of common law, resolution, ordinance, code, agency requirement, licence, permit, edict, binding directive, decree, rule, regulation, judgment, order, injunction, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Government Body;

**“London Stock Exchange”**: the London Stock Exchange plc;

**“Macquarie”**: Macquarie Capital (Europe) Limited;

**“Material Restraint”**: means any requirement of any entity (including its Subsidiaries) (a) to divest, hold, separate or otherwise take any action that limits such entity’s freedom of action, ownership or control with respect to, or its ability to retain or hold, directly or indirectly, any of its businesses, assets, equity interests, product lines or properties or any equity interest in any joint venture held by such entity, (b) that would reasonably be expected to impose any limitation on or result in a material delay in the ability of Bidco to acquire, or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership of shares (or the equivalent) in or to exercise voting or management control over, IFG or any member of the IFG Group, or (c) that would result in a member of the Epiris Group or the IFG Group ceasing to be able to carry on business in any jurisdiction in which it does business as at the date of this Announcement, which would, individually or in the aggregate, have or reasonably be expected to have a material adverse effect on Bidco, and the Epiris Group or the IFG Group in each case taken as a whole;

**“Panel”**: the Irish Takeover Panel;

**“Parties”** means IFG and Bidco and **“Party”** shall mean either of them (as the context requires);

**“Petition”**: the petition to the High Court seeking the Court Order;

**“Person”** or **“person”**: an individual, group, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organisation or other entity or any Government Body or any department, agency or political subdivision thereof;

**“Portfolio Company”**: a direct or indirect portfolio company of investment funds managed or advised by Epiris (from time to time);

**“Reduction of Capital”**: the reduction of the share capital of IFG by the cancellation of the IFG Ordinary Shares, to be effected as part of the Scheme under Sections 84 to 86 of the Act;

**“Registrar of Companies”**: the Registrar of Companies in Dublin, Ireland as defined in Section 2 of the Act;

**“Relevant Securities”**: has the meaning given to that term by the Takeover Rules;

**“Resolutions”**: collectively, the Scheme Meeting Resolution and the EGM Resolutions, which will be set out in the Scheme Document;

**“Restricted Jurisdiction”**: any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available in that jurisdiction;

**“Sanction Date”**: has the meaning set out in Appendix C, paragraph 2.3;

**“SASS”**: a small self-administered scheme;

**“Scheme”** or **“Scheme of Arrangement”**: the proposed scheme of arrangement under Chapter 1 of Part 9 of the Act and the related capital reduction under Sections 84 and 85 of the Act to effect the Acquisition pursuant to this Agreement, on the terms (including the Conditions) and for the consideration set out in the Rule 2.5 Announcement and on such other terms and in such form not being inconsistent therewith as the Parties mutually agree in writing, including any revision thereof as may be so agreed between the Parties and, if required, by the High Court;

**“Scheme Document”**: a document to be distributed to IFG Shareholders containing: (a) the Scheme; (b) the notice or notices of the Scheme Meeting and the EGM; (c) an explanatory statement as required by Section 452 of the Act with respect to the Scheme; (d) such other information as may be necessary or appropriate pursuant to the Act, the Euronext Listing Rules, the UK Listing Rules or the Takeover Rules; and (e) such other information as IFG and Bidco shall agree, each acting reasonably;

**“Scheme Meeting”**: the meeting or meetings of the IFG Shareholders or, if applicable, any class or classes of IFG Shareholders (including, but not limited to, as may be directed by the High Court pursuant to Section 450(5) of the Act) (and any adjournment of any such meeting or meetings) convened by (i) resolution of the IFG Board or (ii) order of the High Court, in either case pursuant to Section 450 of the Act, to consider and vote on the Scheme Meeting Resolution;

**“Scheme Meeting Resolution”**: the resolution to be considered and voted on at the Scheme Meeting proposing that the Scheme, with or without amendment (but subject to such amendment being acceptable to each of IFG and Bidco, except for a technical or procedural amendment which is required for the proper implementation of the Scheme and does not have a substantive consequence on the implementation of the Scheme), be agreed to;

**“Scheme Recommendation”**: the unanimous recommendation of the IFG Board that IFG Shareholders vote in favour of the Resolutions;

**“SIPP”**: a self-invested personal pension;

**“Saunderson House”** means the financial planning and investment services undertaking operating within the IFG Group under the “Saunderson House” brand;

**“Subsidiary”**: in relation to any person, any corporation, partnership, association, trust or other form of legal entity of which such person directly or indirectly owns securities or other equity interests representing more than 50% of the aggregate voting power;

**“Superior Proposal Notice”** has the meaning given to that term in Clause 5.2(e) of the Transaction Agreement;

**“Takeover Offer”**: an offer for the entire issued and to be issued ordinary share capital of IFG (other than any IFG Shares beneficially owned by any member of Epiris Group (if any)), including any amendment or revision thereto pursuant to the Takeover Offer Documents or (as the case may be) any revised offer document(s);

**“Takeover Offer Documents”**: if following the date hereof, Bidco elects to implement the Acquisition by way of Takeover Offer in accordance with Clause 3.6 of the Transaction Agreement, the documents to be despatched to IFG Shareholders and others by Bidco containing, amongst other things, the Takeover Offer, the Conditions (save insofar as not appropriate in the case of a Takeover Offer, and as amended in such manner as Bidco and IFG shall determine, and the Panel shall agree, to be necessary to reflect the terms of the Takeover Offer) and certain information about Epiris, Bidco and IFG and, where the context so admits, includes any form of acceptance, election, notice or other document reasonably required in connection with the Takeover Offer;

**“Takeover Regulations”**: the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006, as amended;

**“Takeover Rules”**: the Irish Takeover Panel Act 1997, Takeover Rules 2013;

**“Tax”** (or **“Taxes”** and, with correlative meaning, the term **“Taxable”**): all national, federal, state, local or other taxes imposed by the United States, Ireland, and any other Governmental Body or Tax Authority, including income, gain, profits, windfall profits, franchise, gross receipts, environmental, customs duty, capital stock, severances, stamp, payroll, universal social charge, pay related social insurance and other similar contributions, sales, employment, unemployment, disability, use, property, gift tax, inheritance tax, unclaimed property, escheat, withholding, excise, production, value added, goods and services, trading, occupancy and other taxes, duties or assessments of any nature whatsoever, or State Aid related thereto, together with all interest, penalties, surcharges and additions imposed with respect to such amounts and any interest in respect of such penalties and additions, whether disputed or not, and any liability in respect of any of the foregoing items payable by reason of contract, assumption, transferee or successor liability;

**“Tax Authority”**: any Governmental Body responsible for the assessment, collection or enforcement of laws relating to Taxes or for making any decision or ruling on any matter relating to Tax (including the HM Revenue and Customs);

**“Topco”**: MonteCarloCo Limited, a private limited liability company incorporated in Jersey with registered number 128568 and registered at Aztec Group House, 11-15 Seaton Place, St Helier, Jersey, JE4 0QH;

**“Transaction Agreement”**: the Transaction Agreement dated 24 March 2019 between Bidco and IFG in relation to the implementation of the Scheme and the Acquisition;

**“Transactions”**: the transactions contemplated by the Transaction Agreement, including the Acquisition;

**“UK Listing Rules”**: the listing rules made by the FCA under Part VI of FSMA (as amended from time to time);

**“VAT”**: any tax imposed by any member state of the European Community in conformity with the Directive of the Council of the European Union on the common system of value added tax (2006/112/EC); and

**“Voting Record Time”**: the time and date to be specified as the voting record time for the Scheme Meeting (or any adjournment thereof) in the Scheme Document.

All amounts contained within this document referred to by **“EUR”** and/or **“€”** refer to Euro and all amounts contained within this document referred to by **“GBP”** and/or **“£”** refers to UK Pounds Sterling.

Any references to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof. Any reference to any legislation is to Irish legislation unless specified otherwise.

Words importing the singular shall include the plural and vice versa and words supporting the masculine shall include the feminine or neuter gender.

All times referred to in this Announcement are Irish times unless otherwise stated.

## APPENDIX C

### CONDITIONS OF THE ACQUISITION AND THE SCHEME

The Acquisition and the Scheme will comply with the Takeover Rules, the Act and where relevant, the UK Listing Rules and the Euronext Listing Rules, and will be subject to the terms and conditions set out in this Announcement and to be set out in the Scheme Document. The Acquisition and the Scheme are governed by the Laws of Ireland and subject to the exclusive jurisdiction of the courts of Ireland.

The Acquisition and Scheme will be subject to the conditions set out in this Appendix C (the “**Conditions**”).

#### Part A: Conditions of the Scheme

- 1 The Acquisition will be conditional upon the Scheme becoming effective and unconditional by not later than the End Date (or such earlier date as may be specified by the Panel, or such later date as Bidco and IFG may with (if required) the consent of the Panel, agree and (if required) the High Court may allow).
- 2 The Scheme will be conditional upon:
  - 2.1 the approval of the Scheme by a majority in number of members of each class of IFG Shareholders (including, but not limited to, as may be directed by the High Court pursuant to Section 450(5) of the Act) representing at least 75% in value of the IFG Shares of that class, at the Voting Record Time, held by IFG Shareholders who are members of that class that are present and voting either in person or by proxy, at the Scheme Meeting (or at any adjournment of such meeting) held no later than the End Date;
  - 2.2 the EGM Resolutions being duly passed by the requisite majority of IFG Shareholders at the Extraordinary General Meeting (or at any adjournment of such meeting) held no later than the End Date;
  - 2.3 sanction by the High Court (with or without modification (but subject to such modification being acceptable to each of IFG and Bidco)) of the Scheme pursuant to Sections 449 to 455 of the Act and the confirmation of the related reduction of capital involved therein by the High Court on or before the End Date (the date on which the Condition in this paragraph 2.3 is satisfied, the “**Sanction Date**”); and
  - 2.4 copies of the Court Order and the minute required by Section 86 of the Act in respect of the Reduction of Capital being delivered for registration to the Registrar of Companies and registration of the Court Order and minute confirming the Reduction of Capital by the Registrar of Companies on or before the End Date.

#### Part B: General Conditions

- 3 IFG and Bidco have agreed that, subject to paragraph 8 of this Appendix C, the Acquisition will also be conditional upon the following matters having been satisfied or waived on or before the Sanction Date:

- 3.1 save as provided in the Transaction Agreement and in the foregoing Conditions, there not being any other corporate proceedings, steps or actions on the part of IFG necessary to authorise the consummation of the Acquisition;

### **Regulatory and merger control**

- 3.2 the FCA:
- 3.2.1 giving notice in writing in accordance with section 189(4)(a) of FSMA that it has determined to approve unconditionally; or
  - 3.2.2 giving notice in writing in accordance with section 189(7) of FSMA that it has determined to approve subject to conditions (provided that Bidco, acting reasonably, does not determine that such conditions could be expected to have a material adverse effect on Bidco or any member of the IFG Group); or
  - 3.2.3 being treated, by virtue of section 189(6) of FSMA, as having approved the acquisition of control (as defined in section 181 of FSMA read in conjunction with the Financial Services and Markets Act 2000 (controllers) (Exemption) Order 2009) over Saunderson House, James Hay Wrap Managers Limited, ABC Partnership plc, ABC Pensions Limited and Jamey Hay Administration Limited;
- 3.3 to the extent required by applicable law, such pre-acquisition notice to and filings with, and confirmation of approval or no objection from, the JFSC as may be required in connection with the change of control of James Hay Insurance Company Limited;
- 3.4 no Governmental Body having instituted or implemented any action, proceeding, investigation, enquiry or suit or having made, enforced, enacted, issued or deemed applicable to the Acquisition any statute, regulation or order or having withheld any consent which would:
- 3.4.1 make the Acquisition or its implementation, void, illegal or unenforceable or otherwise, directly or indirectly, materially restrain, revoke, prohibit, materially restrict or delay the same or impose materially additional or different conditions or obligations with respect thereto which would, individually or in the aggregate, have or reasonably be expected to have a material adverse effect on Bidco and any member of the Epiris Group or the IFG Group, in each case taken as a whole; or
  - 3.4.2 result in a Material Restraint.

### **Termination of the Transaction Agreement**

- 3.5 the Transaction Agreement not having been terminated as a consequence of any of the following events having occurred (such events (including that set out in the Condition in paragraph 3.6 below) being the events set out in the Transaction Agreement following the occurrence of which the Transaction Agreement may be terminated in accordance with its terms):

- 3.5.1 the Scheme Meeting or the EGM having been completed and the Scheme Meeting Resolution or the EGM Resolutions, as applicable, not having been approved by the requisite majorities;
- 3.5.2 the Effective Time not having occurred by 5:00 p.m. on the End Date, provided that the right to terminate the Transaction Agreement is not exercised by a party to the Transaction Agreement whose breach of any provision of the Transaction Agreement shall have been the primary cause of the failure of the Effective Time to have occurred by such time;
- 3.5.3 the High Court having declined or refused to sanction the Scheme and the decision of the High Court not having been appealed;
- 3.5.4 an injunction having been entered permanently restraining, enjoining or otherwise prohibiting the consummation of the Acquisition and having become final and non-appealable (provided that the right to terminate the Transaction Agreement is not exercised by a party whose breach of any provision of the Transaction Agreement shall have been the primary cause of such injunction);
- 3.5.5 Bidco or Epiris having breached or failed to perform in any material respect any of its covenants or other agreements contained in the Transaction Agreement or any of its representations or warranties set forth in the Transaction Agreement having been inaccurate (as of the date of the Transaction Agreement and as at 5:00pm on the date before the Court Hearing), which material breach, failure to perform or inaccuracy would result in a failure of the Conditions and is not reasonably capable of being cured by the End Date (or, if curable, is not cured within 30 days following IFG's delivery of written notice to Bidco of such breach, failure to perform or inaccuracy stating its intention to terminate the Transaction Agreement and the reasons therefor);
- 3.5.6 IFG having breached or failed to perform in any material respect any of its covenants or other agreements contained in the Transaction Agreement or any of its representations or warranties set forth in the Transaction Agreement having been inaccurate (as of the date of the Transaction Agreement and at and as at 5:00pm on the date before the Court Hearing), which material breach, failure to perform or inaccuracy would not reasonably capable of being cured by the End Date (or, if curable, is not cured within 30 days following Bidco's delivery of written notice to IFG of such breach, failure to perform or inaccuracy stating its intention to terminate the Transaction Agreement and the reasons therefor);
- 3.5.7 an IFG Change of Recommendation having occurred or the IFG Board or any committee of the IFG Board having withdrawn (or modifying in any manner adverse to Bidco) or proposing publicly to withdraw (or modifying in any manner adverse to Bidco) the Scheme Recommendation; or
- 3.5.8 following IFG's delivery of a Final Recommendation Change Notice, IFG having provided Bidco with written notice of its termination of the Transaction Agreement;

- 3.6 the Transaction Agreement not having been terminated by the mutual written consent of IFG and Bidco.

**Certain matters arising as a result of any arrangement, agreement etc.**

- 3.7 except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, authorisation, franchise, facility, lease or other instrument to which any member of the IFG Group is a party or by or to which any such member or any of its respective assets may be bound, entitled or subject and which, in consequence of the Acquisition or the proposed acquisition by any member of the Epiris Group of any shares or other securities (or the equivalent) in or control of IFG or any member of the IFG Group or because of a change in the control or management of any member of IFG or otherwise, would or would be reasonably expected to result in, in any such case to an extent which is material in value terms in the context of the IFG Group taken as a whole:
- 3.7.1 any monies borrowed by, or any other indebtedness or liability (actual or contingent) of, or any grant available to any member of the IFG Group becoming payable, or becoming capable of being declared, repayable immediately or prior to their or its stated maturity, or the ability of any such member to borrow monies or incur any indebtedness being or becoming capable of being withdrawn or inhibited;
  - 3.7.2 the creation, save in the ordinary course of business, or enforcement of any mortgage, charge or other security interest wherever existing or having arisen over the whole or any part of the business, property or assets of any member of the IFG Group or any such mortgage, charge or other security interest becoming enforceable;
  - 3.7.3 the rights, liabilities, obligations, interests or business of any member of the IFG Group under any such arrangement, agreement, licence, permit, authorisation, franchise, facility, lease or other instrument or the rights, liabilities, obligations or interests or business of any member of the IFG Group in or with any other firm or company or body or person (or any agreement/arrangement or arrangements relating to any such business or interests) being terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
  - 3.7.4 any material assets or interests of, or any asset the use of which is enjoyed by, any member of the IFG Group being or falling to be disposed of or charged or ceasing to be available to any member of the IFG Group or any right arising under which any such asset or interest would be required to be disposed of or charged or would cease to be available to any member of the IFG Group otherwise than in the ordinary course of business;
  - 3.7.5 any member of the IFG Group ceasing to be able to carry on business in any jurisdiction in which it currently operates;
  - 3.7.6 the value of, or the financial or trading position of any member of the IFG Group being prejudiced or adversely affected;

- 3.7.7 the creation or acceleration of any liability or liabilities (actual or contingent) by any member of the IFG Group other than the creation of trade creditors or other liabilities incurred in the ordinary course of business;
- 3.7.8 any material liability of any member of the IFG Group to make any severance, termination, bonus or other payment to any of the directors or other officers;

**Certain events occurring after the date of this Announcement**

- 3.8 except as Disclosed, and save as permitted in accordance with the terms of the Transaction Agreement, no member of the IFG Group having since 31 December 2018:
  - 3.8.1 save as between IFG and wholly owned Subsidiaries of IFG and save for the issue of IFG Ordinary Shares on the exercise of options granted under IFG Share Plans issued, granted, conferred, or awarded or agreed to issue, grant, confer or award or authorised or proposed the issue of additional shares of any class, or any rights or securities convertible into or exchangeable for shares, or rights, warrants or options to subscribe for or acquire any such shares, securities or convertible securities;
  - 3.8.2 recommended, announced, declared, paid or made or proposed to recommend, announce, declare, pay or make any bonus issue, dividend or other distribution (whether in cash or otherwise) save for any dividend declared prior to the Effective Date by any wholly owned Subsidiary of IFG;
  - 3.8.3 save for transactions between IFG and its wholly owned Subsidiaries or between such wholly-owned Subsidiaries, merged with or demerged or acquired any body corporate, partnership or business or acquired or disposed of, or transferred, mortgaged or charged or created any security interest over, any material assets or any right, title or interest in any material asset (including shares and trade investments) or authorised, proposed or announced any intention to do so in each case which is material in the context of the IFG Group taken as a whole;
  - 3.8.4 save as between IFG and its wholly owned Subsidiaries or between such wholly owned Subsidiaries, made, authorised, proposed or announced an intention to propose any change in its loan capital other than in the ordinary and usual course of carrying out its current banking activities;
  - 3.8.5 issued, authorised or proposed the issue of any loan capital or debentures, or (save as between IFG and its wholly owned Subsidiaries or between such wholly owned Subsidiaries) incurred or increased any indebtedness or contingent liability over and above existing facilities currently available to the IFG Group and/or any member of the IFG Group, in any such case otherwise than in a manner which is materially consistent with the business of the IFG Group being conducted in the ordinary and usual course;
  - 3.8.6 entered into or varied or announced its intention to enter into or vary any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) (otherwise than in the ordinary and usual

course of business) which is of a long term, unusual or onerous nature, or magnitude which is, in any such case, material in the context of the IFG Group taken as a whole or which would be materially restrictive on the business of any material member of the IFG Group or the Epiris Group;

- 3.8.7 except in the ordinary and usual course of business, entered into or materially improved, or made any offer (which remains open for acceptance) to enter into or improve, the terms of the employment contract with any director of IFG or any person occupying one of the senior executive positions in the IFG Group;
- 3.8.8 except in the ordinary and usual course of business, proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme, or other benefit relating to the employment or termination of employment of any employee of the IFG Group, which in any such case would be material in the context of the IFG Group taken as a whole;
- 3.8.9 (except where the consequences thereof would not be material (in value term or otherwise) in the context of the IFG Group taken as a whole) made or agreed or consented to any significant change to the terms of its Benefit Plans, or to the basis on which qualification for, or accrual or entitlement to, benefits pursuant to its Benefit Plans are calculated or determined or to the basis on which the liabilities of such Benefit Plans are funded or made, or agreed or consented to any change to the trustees / administrators of such Benefit Plans, or causing any employee of the IFG Group to cease to be a member of any Benefit Plan by withdrawing from such Benefit Plan, or unlawfully terminating the employment of any active member of a Benefit Plan, or making any employee member of the IFG Group redundant, or exercising any discretion under the provisions governing such Benefit Plan;
- 3.8.10 save as between IFG and wholly owned Subsidiaries of IFG, purchased, redeemed or repaid or proposed the purchase, redemption or repayment of any of its own shares or other securities or reduced or, save in respect of the matters mentioned in sub-paragraph 3.4.1 above, made any other change to any part of its share capital to an extent which (other than in the case of IFG) is material in the context of the IFG Group taken as a whole;
- 3.8.11 waived or compromised any claim otherwise than in the ordinary and usual course of business which is material in the context of the IFG Group taken as a whole;
- 3.8.12 (except where the consequences thereof would not be material (in value terms or otherwise) in the context of the IFG Group taken as a whole) and save for voluntary solvent liquidations, taken or proposed any corporate action or had any legal proceedings instituted or threatened against it in respect of its winding-up, dissolution, examination or reorganisation or for the appointment of a receiver, examiner, administrator, administrative receiver, trustee or similar officer of all or any part of its assets or revenues, or (A) any analogous proceedings in any jurisdiction, or (B) appointed any analogous person in any jurisdiction;

- 3.8.13 altered the provisions of the memorandum and articles of association of any member of the IFG Group the effect of which is material in the context of the IFG Group taken as a whole; or
- 3.8.14 been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the IFG Group taken as a whole;

**No adverse changes, litigation, liabilities or similar**

3.9 except as Disclosed since 31 December 2018:

- 3.9.1 no adverse change or deterioration having occurred in the business, financial or trading position, or profits of any member of the IFG Group which is material to the IFG Group taken as a whole and which has not arisen wholly or in all material respects as a result of the proposed Acquisition;
- 3.9.2 no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the IFG Group or to which any member of the IFG Group is or may become a party (whether as plaintiff or defendant or otherwise) and no enquiry or investigation by or complaint or reference to any Governmental Body against or in respect of any member of the IFG Group having been threatened, announced or instituted or remaining outstanding which, in any such case, might be reasonably likely to adversely affect any member of the IFG Group to an extent which is material to the IFG Group taken as a whole;
- 3.9.3 no contingent or other liability having arisen or being likely to arise or having become apparent to Bidco which is or would be likely to adversely affect the business, assets, financial or trading position or profits or prospects of any member of the IFG Group to an extent which is material to the IFG Group taken as a whole;
- 3.9.4 no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any licence, consent, permit or authorisation held by any member of the IFG Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material and likely to adversely affect the IFG Group taken as a whole; or
- 3.9.5 no member of the IFG Group having conducted its business in breach of applicable laws and regulations which in any case is material in the context of the IFG Group taken as a whole;

### **No Discovery of Certain Matters**

- 3.10 Bidco not having discovered that any financial, business or other information concerning the IFG Group, that is material in the context of the IFG Group as a whole and has been disclosed publicly, is misleading or contains any misrepresentation of fact or omits to state a fact necessary to make that information not misleading.

### **No change in Capital**

- 3.11 No options have been granted and remain unexercised under the IFG Share Plans other than those Disclosed.

### **Part C: Certain further terms of the Acquisition**

- 4 Subject to the requirements of the Panel:
- 4.1 Bidco reserves the right (but shall be under no obligation) to waive (to the extent permitted by applicable Law), in whole or in part, all or any of the conditions in paragraph 3 (with the exception of paragraph 3.5.6); and
- 4.2 IFG reserves the right (but shall be under no obligation) to waive, in whole or in part, the condition in paragraph 3.5.5.
- 5 The Scheme will lapse unless it is effective and unconditional by not later than 5:00 p.m., (Irish Time), on the End Date (or such earlier date as may be specified by the Panel, or such later date as IFG and Bidco may, with (if required) the consent of the Panel, agree and (if required) the High Court may allow.
- 6 Any references in the Conditions to a Condition being “satisfied” upon receipt of any order, clearance, approval or consent from a Governmental Body shall be construed as meaning that the foregoing have been obtained, or where appropriate, made, terminated or expired in accordance with the relevant Condition.
- 7 If Bidco is required to make an offer for IFG Shares under the provisions of Rule 9 of the Takeover Rules, Bidco may make such alterations to any of the Conditions set out above as are necessary to comply with the provisions of that Rule.
- 8 Bidco reserves the right, subject to the consent of the Panel, to elect to implement the Acquisition by way of a Takeover Offer as described in Clause 3.6 of the Transaction Agreement. Without limiting Clause 3.6 of the Transaction Agreement, in such event, such offer will be implemented on terms and conditions that are as least as favourable to the IFG Shareholders (except for an acceptance condition set at 90 per cent of the shares to which such offer relates or such lesser percentage being more than 50 per cent, as Bidco may, with the consent of the Panel (if required), decide) as those which would apply in relation to the Scheme.