



---

# **Proposed Acquisition of Liquidnet**

Transformational Opportunity for TP ICAP

09 October 2020

---

# Agenda

---

## Transaction Overview

---

## Overview of Liquidnet

---

## Strategic Rationale

---

## Financial Impacts, Business Transition & Timelines

---

## Concluding Remarks

---

## Q&A

---

## Appendix

---





---

## Transaction Overview

---



# Acquisition Rationale

## Rapid Acceleration of Strategy and Upward Shift of Growth Profile

### 1 Transaction accelerates delivery of the three pillars of TP ICAP's strategy

- Aggregation, Electronification, Diversification

### 2 Liquidnet boosts TP ICAP's growth trajectory

- Liquidnet allows TP ICAP to build substantial electronic trading businesses in Credit and Rates

#### Aggregation

- Significant fixed income opportunity available from building on Liquidnet's buy-side network, existing liquidity pools and leveraging TP ICAP's dealer relationships, partnerships, and asset class expertise
  - Credit D2C, C2C
  - Rates D2C

#### Electronification

- Liquidnet brings extensive electronic platform assets and capabilities to TP ICAP
  - Buy-side technical infrastructure built over two decades, and well-embedded into institutional workflows
  - Integrations with Order / Execution Management Systems ("OMS", "EMS"), leveraging patented "Blotter Sync" technology
- Liquidnet's global client network and electronic expertise can be further leveraged by TP ICAP

#### Diversification

- Liquidnet's established position in institutional cash equities is complementary
- Liquidnet's installed global platform provides TP ICAP the near-term opportunity to build scale in electronic D2C offerings in Credit and Rates for a much larger customer base than would be otherwise possible
- Liquidnet's buy-side relationships present an immediately accessible client base for D&A's OTC data. Liquidnet's data science team and AI / Machine Learning capability offer additional product development potential

# Transaction Overview

## Transformational Opportunity for TP ICAP

### 1 Liquidnet is a premier brand, technology-driven, global electronic trading network

- Agency broker and venue operator; access to 45 markets worldwide
- More than 1,000 buyside clients<sup>1</sup> globally managing ~\$33trn<sup>1</sup> in equities and fixed income assets
- A leading equities dark trading specialist, with growing fixed income presence

### 2 Deep buyside workflow connectivity, built over two decades

- Access via desktop application, API or buyside OMS and EMS

### 3 Compelling D2C, C2C, and A2A growth opportunities for the combined firm

- Leveraging TP ICAP dealer partnerships and product expertise, with Liquidnet's buyside network/connectivity

#### Liquidnet Key Facts

- Global electronic trading platform founded 1999, headquartered in New York, with ten offices globally
- LTM June 2020: Revenue<sup>2</sup> of \$339m and Reported EBITDA of \$47m (Adjusted EBITDA of \$64m, adjusted for \$14.6m of equity based compensation and \$2.5m of other adjustments)<sup>2</sup>

#### Consideration and Financing

- TP ICAP has agreed to acquire 100% of Liquidnet for \$575m - \$700m on a debt-free/excess cash-free basis
- \$525m paid in cash at completion with an additional \$50m deferred consideration and up to \$125m contingent consideration
  - Additional financing details discussed on page 18
- Expected to be underlying earnings accretive in year 3

#### Approvals and Closing

- Class 1 transaction subject to:
  - Shareholder approval: circular and prospectus to be published in January 2021
  - Completion of re-domiciliation: introduction of a new Jersey-incorporated holding company<sup>3</sup>
- Transaction expected to close in Q1 2021 pending customary regulatory approvals

#### Notes:

1. Buy-side clients as of Q2 2020; AuM as of September 30, 2018, and excludes APAC
2. Liquidnet financials based on US GAAP. Adjusted EBITDA (non-GAAP metric) excludes \$14.6m of equity based compensation and \$2.5m of non-recurring expenses etc.
3. Separate circular and prospectus to be published in Q4 2020, requiring shareholder approval and a scheme of arrangement





---

## Overview of Liquidnet

---



# Liquidnet Overview

## Leading Global Electronic Trading Network

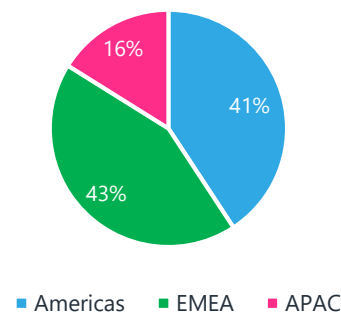
### 1 Trusted brand and partner to the buy-side for ~20 years

- Buyside clients collectively manage ~\$33tn<sup>1</sup> in equity and fixed income assets
- Integrated into client end-to-end workflow via desktop applications, FIX, OMS/EMS

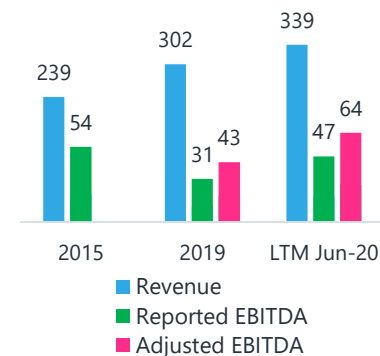
### 2 Complementary business segments

- **Equities:** Focused on dark trading, providing execution solutions, workflows and liquidity sourcing techniques
  - ~1,000 buyside clients<sup>1</sup> across 45 markets
- **Fixed Income:** Trading solution offering access to buyside corporate bond liquidity pool, with focus on large C2C trades
  - ~500 buyside clients<sup>1</sup> globally
- **Investment Analytics:** Solutions allowing investors to analyse, filter and organize data through AI / Machine Learning / Natural Language Processing

Group Revenue Mix by Region<sup>2</sup> (2019)

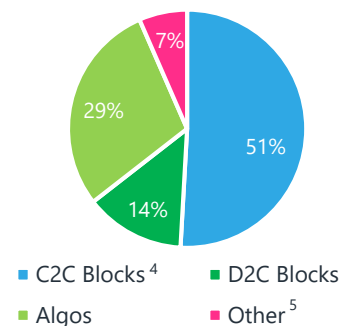


Group Revenue and EBITDA<sup>3</sup> (\$m)

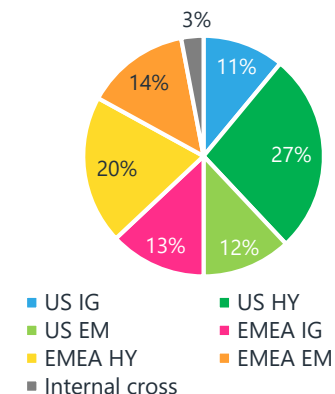


Product Mix by Segment (2019)

Equities (\$289m Revenue<sup>3</sup>)



Fixed Income (\$5m Revenue<sup>3</sup>)



Notes:

1. AuM as of September 30, 2018, and excludes APAC; Buyside clients as of Q2 2020, includes institutional asset management, pension fund and hedge funds
2. Regional split by equities revenue only
3. Liquidnet financials based on US GAAP. Adjusted EBITDA (non-GAAP metric) excludes equity based compensation and other non-recurring expenses etc.
4. Liquidnet's negotiation product allows clients to use the desktop application to negotiate trades on a one-to-one basis directly with other clients
5. Includes sellside blocks, sellside streaming and high-touch

# Liquidnet Equities

## Leading Dark Execution Specialist

### 1 Dark trading is a critical and stable portion of global market activity

- Key part of market activity in Europe
- Accounts for ~15% of market volume in US

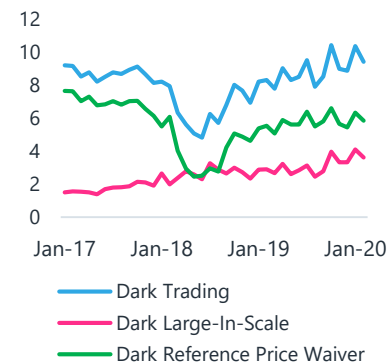
### 2 Liquidnet has a reputed brand and solid market positioning

- \$79bn of average daily liquidity<sup>1</sup>
- Known for high average trade size
  - Average global execution size for negotiated blocks<sup>2</sup> of \$1.5m<sup>3</sup>
  - Liquidnet's average trade size is ~5x average of European dark venues<sup>4</sup>
- Growing market shares in EMEA and APAC

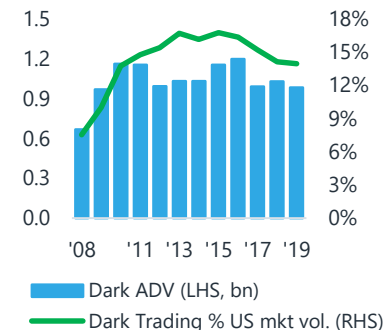
### 3 Initially established to facilitate block C2C dark trading, Liquidnet has evolved into a sophisticated ecosystem through continuous innovation

- Global franchise with access across 45 markets
- Access to third party dark and lit venues
- Connectivity via desktop UIs, integration with most OMS/EMS platforms
- Liquidnet's "blotter sync" technology is a key differentiator
- Cutting-edge Algo suite strongly positioned in a fast-growing segment

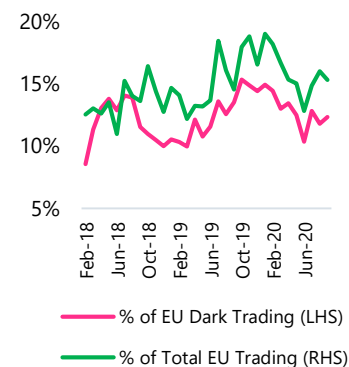
#### EU Dark Trading as % of On-venue Activity



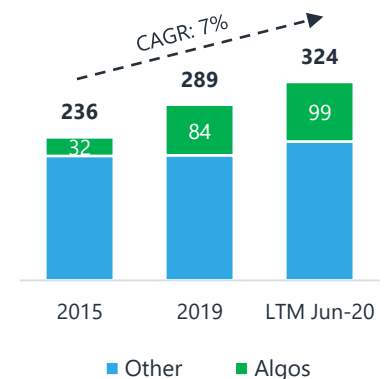
#### US Market Dark Trading as % Total Volume



#### EU Market Share



#### Equities Revenues<sup>5</sup> (\$m)



Notes:

1. As of Q1 2020
2. Liquidnet's negotiation product allows clients to use the desktop application to negotiate trades on a one-to-one basis directly with other clients
3. Average of Jan-Feb 2020
4. Based on H1 2020 data from Liquidnet and BigXYT
5. Liquidnet financials based on US GAAP. Algos LTM revenues as of Mar-20



# Liquidnet Fixed Income

## Extensive Global Network with Substantial Growth Potential

### 1 Comparatively early stage business, launched in 2015

- US and European IG and High Yield launched Sep 2015
- Emerging Market bonds launched October 2018
- Building on credibility and connectivity established for equities

### 2 One of the largest pools of buy-side corporate liquidity, with high average trade size

- Buy-side daily liquidity of \$13bn<sup>1</sup> (total average daily liquidity of \$19bn)
- Trade size 5-10x higher than typical for other platforms
- Current Liquidnet protocols offer high degree of information protection and particularly favour large execution sizes
  - C2C dark, A2A dark (A2A launched February 2020)

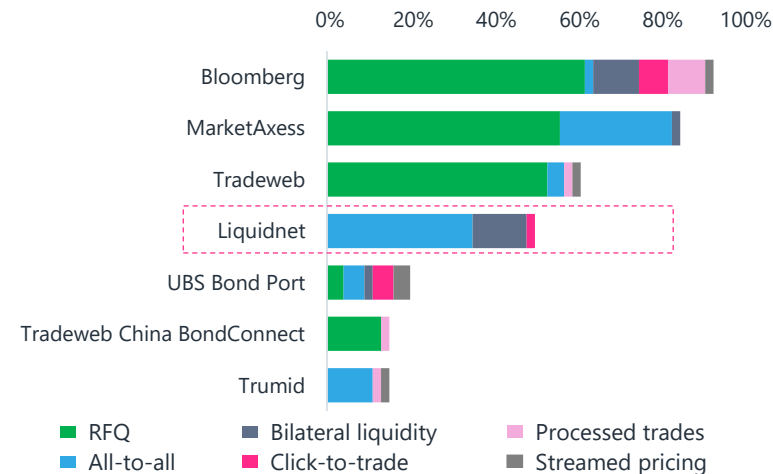
### 3 Liquidnet's connectivity and active user base place it amongst the leading fixed income platform operators

- Connectivity with major OMS/EMS platforms, leveraging "blotter sync" technology
- Network of ~500 buy-side clients<sup>2</sup>
- 47 of the 50 largest global corporate bond holders<sup>2</sup>

### 4 Already in-train growth plans will add to offering

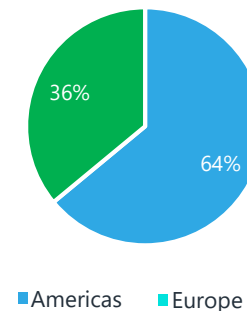
- Algo portal
- Primary DCM workflow solutions

### Trading Protocols Used (% Survey Respondents)

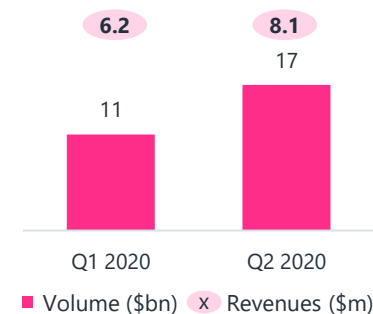


Source: The DESK's Trading Intentions Survey 2020

### Clients by Region<sup>3</sup>



### Annualised Transaction Volume and Revenues<sup>4</sup>



Notes:

1. Average as of Q2 2020
2. As of Q2 2020
3. As of March 2020
4. Q1 2020 and Q2 2020 figures annualised

# Liquidnet Investment Analytics

Nascent Business with Dedicated Data Science Team and AI / Machine Learning Tools

## Key Product Suite



*Acquired in 2019*

Automated investment research  
provider using natural language  
processing



### Corporate sentiment

Corporate earnings call  
quantitative analysis

### Central Bank sentiment

NLP generated Central Bank  
sentiment data



*Acquired in 2017*

AI and Machine Learning powered  
structured data analytics platform



### IA Trader

Pre- and intra-trade  
execution analytics

### IA PM (pilot)

Personalised investment  
intelligence for portfolio  
managers



*Acquired in 2019*

Research aggregator and market  
place of global bank and  
independent research



### Research library

Research aggregator and  
marketplace

### Research Exchange

API service embedding  
Research Library into client  
applications





---

## Strategic Rationale

---

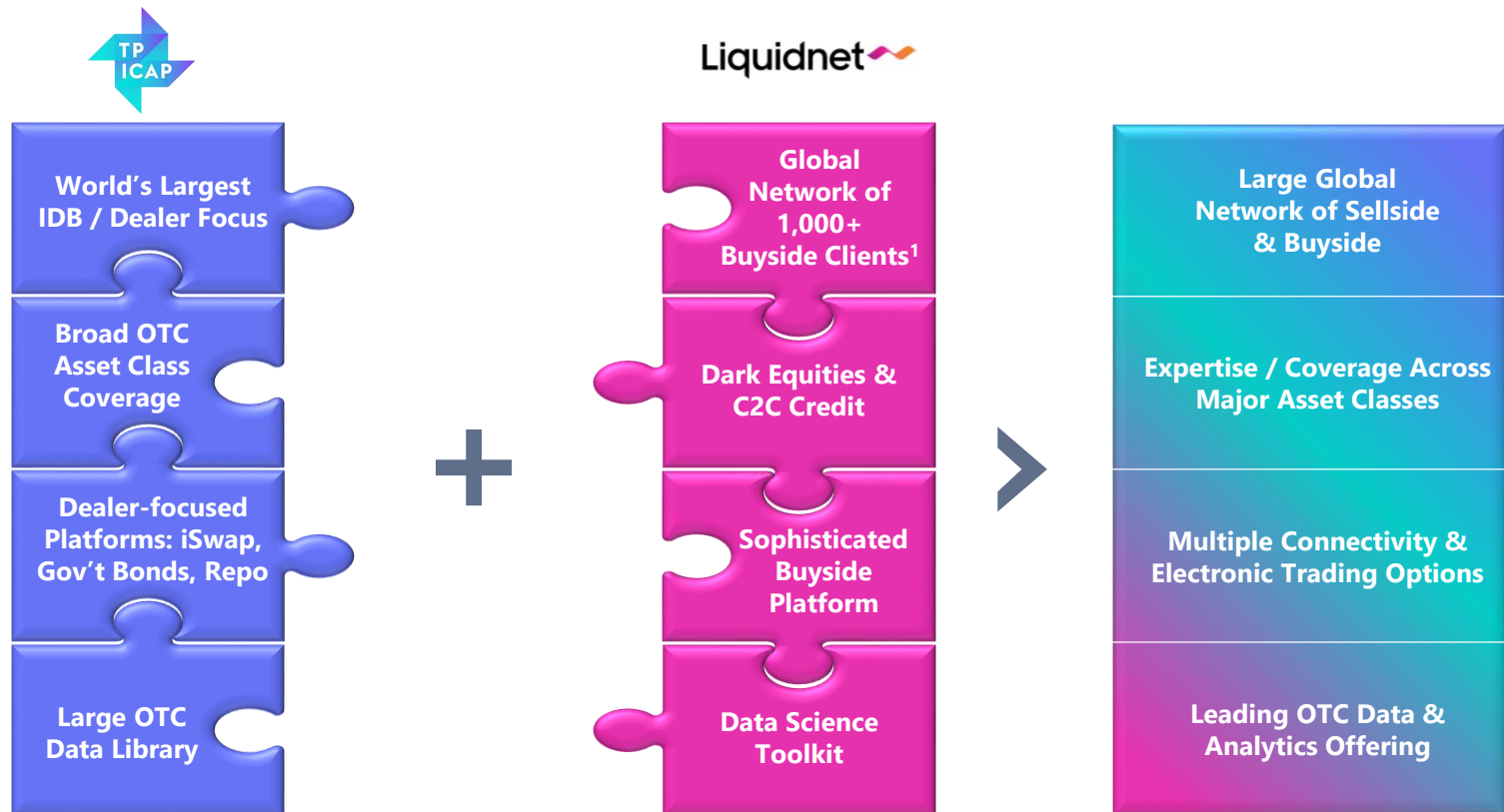


# Vision: Creation of Powerful Electronic Trading Ecosystem

## Complementary Combination of Asset Class Expertise, Clients and Platforms

### Roadmap

- Building on the strengths of each partner
- Serving the varied needs of dealer and institutional market participants across all major asset classes
- Offering clients choices around connectivity, execution protocols, workflow & analytics
- Leveraging Liquidnet's connectivity and platform, with TP ICAP's own product expertise and relationships, to unlock clear opportunities in Credit and Rates



Note:

1. As of Q2 2020



# Focus Opportunity: D2C Electronic Credit Trading

## Leveraging TP ICAP's Network & Building on Liquidnet's Capabilities

### 1 Post-2008 regulation prompted behavioural changes that meaningfully altered market structure

- Dealers provide much less "risk" liquidity than pre-crisis (too costly to hold inventory), shifting to agency-like execution
- Search costs have increased for the buy-side
- Buy-side firms turning to electronic platforms for price discovery and trade execution (efficiency, best execution obligations)

### 2 Market structure continues to evolve

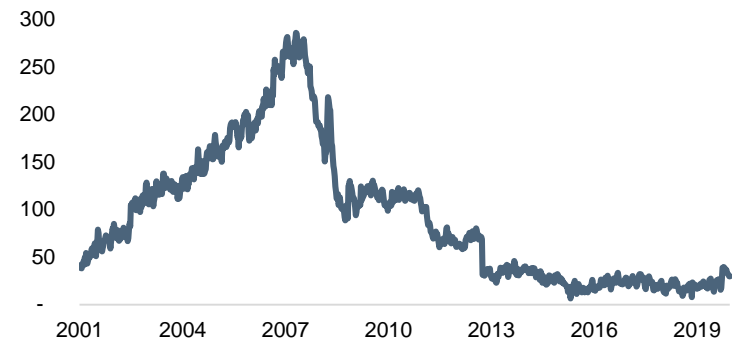
- D2C electronic volumes growing rapidly
- Non-bank liquidity providers becoming more important
- Blurring boundaries between D2D and D2C marketplaces
- Barrier to entry in D2C Credit is buy-side network and dealer connectivity, not liquidity

### 3 Opportunity for TP ICAP to improve Liquidnet's dealer connectivity and enhance/augment execution protocols

- TP ICAP has global, long-established and trusted dealer relationships and connectivity in Credit
- TP ICAP Credit OTC Data & Analytics products may be deployed to enhance efficiency of the ecosystem

#### Dealers Providing Significantly Less Liquidity

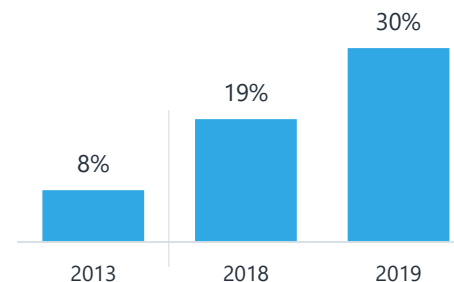
(Dealer Inventory of US Corporate Bonds - Net Position, \$tn)



Source: US Federal Reserve

#### Strong Growth in Corporate Bonds Electronic Trading Volume

(US Investment Grade)



Source: SIFMA, Electronic Trading Market Structure Primer 2019

Note: Based on percentage of total trading volumes (notional value of bonds traded)

#### D2C Competitive Landscape

**Bloomberg**

**Market Axess**

**Tradeweb**

# Focus Opportunity: D2C Electronic Rates Trading

Leveraging Liquidnet's Platform and TP ICAP's Dealer Connectivity / Product Expertise

## 1 Regulatory change has encouraged growth in OTC Rates derivatives, compared with exchange-traded

- Central clearing has prompted market share gains for OTC vs exchange-traded derivatives
- The D2C segment of the market is growing particularly rapidly (much faster than inter-dealer)
- Best execution and efficiency continues to encourage more electronic trading

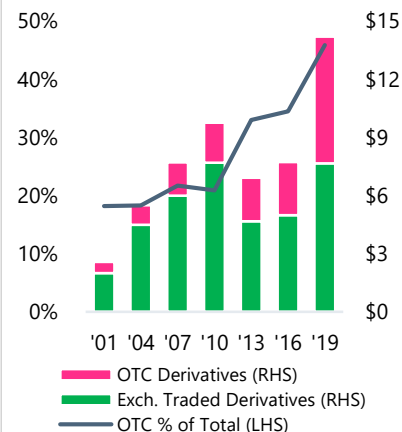
## 2 D2C electronic execution expected to continue to grow, particularly in IRS segment

- D2C is a large and growing market
- Best execution (pre-trade, audit trail)
- Workflow efficiencies
- Barrier to entry in D2C Rates is buy-side network and dealer connectivity, not liquidity

## 3 Vision: Dealer connectivity (TP ICAP) + buy-side electronic network (Liquidnet) to create powerful D2C competitor

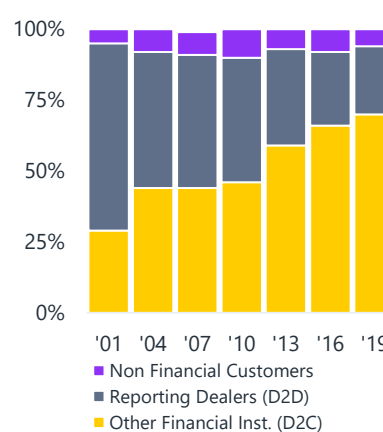
- TP ICAP brings a large global Rates franchise to the Liquidnet network
- TP ICAP's majority-controlled iSwap platform connects 40+ banks through API and/or GUI

IRD Exchange & OTC Trading Avg. Notional Turnover (\$tn)



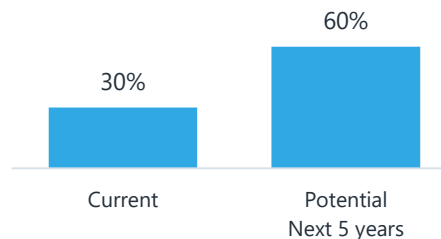
Source: BIS

OTC IRD Turnover by Participant Group (% Total)



Source: BIS Triennial Survey, 2019

Rapid Increase in Electronification (Rates Derivatives)



Source: Management estimates based on industry sources

D2C Competitive Landscape\*

**Bloomberg**

**Tradeweb**

\* For D2C IRD trading



# Focus Opportunity: Enhanced Data & Analytics (D&A)

## Leverage Complementary Capabilities with Cross-Selling Potential

### 1 Accelerate D&A's buyside penetration

- Sell TP ICAP's data to ~500 fixed income<sup>1</sup> buyside clients already on-boarded on Liquidnet's platform
- Enhance TP ICAP's objective of diversifying client base, accelerating penetration of the buyside

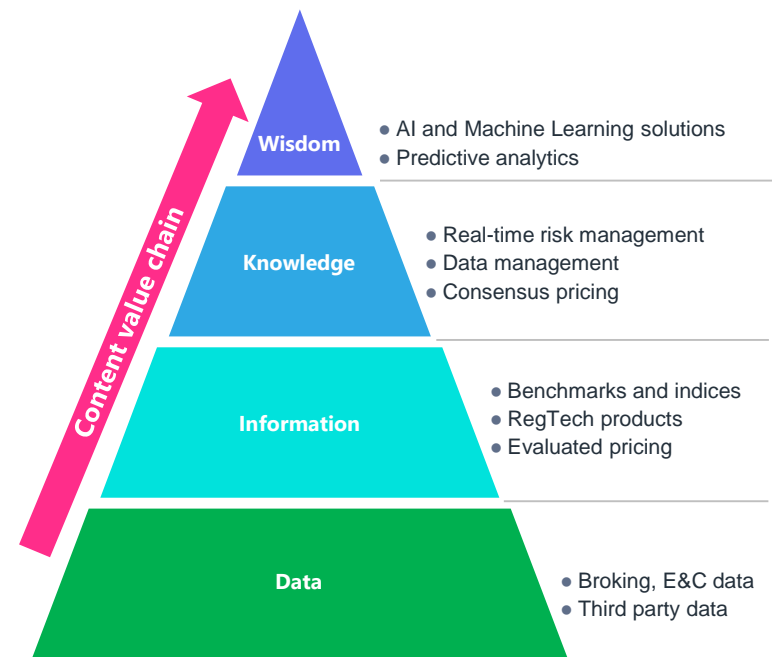
### 2 Leverage TP ICAP's client base and global sales team to sell Liquidnet's products and services

- Provide Liquidnet with exposure to D&A's global sales team, Channel Partners and clients

### 3 Augments TP ICAP's D&A expertise to develop new Insight and Knowledge products

- Enhance TP ICAP's D&A offering with Liquidnet's data science team, specialised in artificial intelligence powered analytics (Liquidnet Investment Analytics) and Natural Language Generation capability (Prattle)
- Accelerate D&A's organic revenue opportunities, including pre and trade analytics, risk management and index creation

### Moving Up the Value Chain







---

## **Financial Impacts, Business Transition & Timelines**

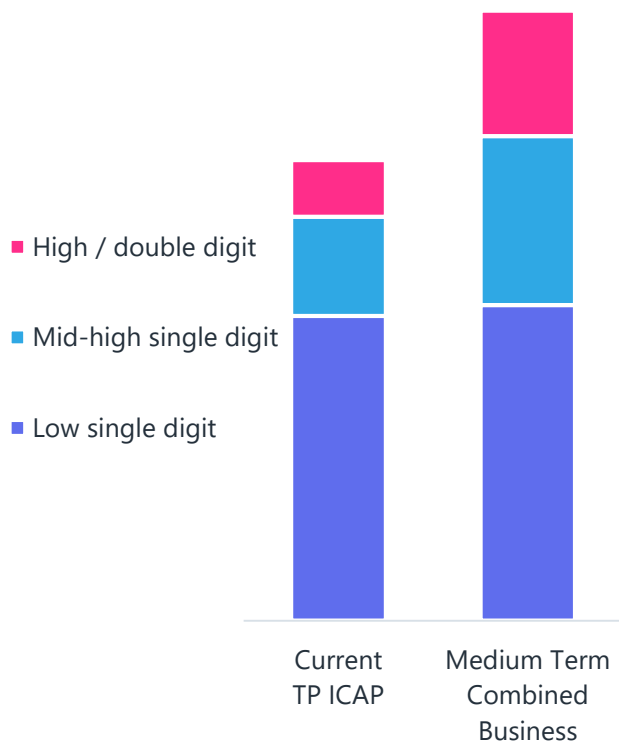
---

# Transforming TP ICAP's Earnings Profile

## Impact of Transaction: Shift Toward Higher Revenue Growth and Profitability

Enhanced revenue growth and margin expansion for the combined group

### Cross-cycle Revenue Growth Potential



### Drivers of Growth and Margin Expansion

#### Data & Analytics

- Product creation, growth in customer base
- **Leveraging Liquidnet's connectivity / data science capabilities and TP ICAP's rich data sets**

#### Liquidnet Credit and Rates

- **Structural electronification trends**
- **High operating leverage**

#### Institutional Services

- Sell-side restructuring enabling strong growth opportunity
- Greater scale drives operating margin improvement

#### Liquidnet Equities

- Strong positioning in mature market segment
- Low-touch business model

#### Energy and Commodities

- Growing customer base
- Electronification initiatives to improve margin

#### Global Broking

- Tier 1 dealer client base
- Electronification driving margin potential



# Financial Highlights and Medium Term Targets

## Attractive Financial Benefits for Shareholders

### Key transaction terms

- Enterprise value ('EV') of \$575-700m on a debt-free/excess cash-free basis, representing 9.0x – 10.9x LTM Jun-20 EV / Adjusted EBITDA<sup>1</sup>
- Approx. \$525m paid in cash at completion:
  - Approx. \$425m funded through a fully pre-emptive rights issue, which has been fully underwritten on a standby basis
  - \$100m from existing debt facilities
- An additional \$50m deferred cash consideration and contingent consideration of up to \$125m:
  - \$50m financed via a Vendor Loan Note<sup>2</sup>, settled on or before third anniversary post closing
  - Maximum of \$125m, settled in 2024 and linked to revenues generated by Liquidnet Equities business in 2021, 2022 and 2023

### Medium term financial impacts of transaction

- |                                    |   |
|------------------------------------|---|
| <b>1 Attractive revenue growth</b> | <ul style="list-style-type: none"><li>• Clear path to increasing proportion of higher growth businesses towards 50% of the combined group over the medium term</li><li>• Increases combined group revenue growth profile to mid-single digit over the medium term</li></ul> |
| <b>2 Higher profitability</b>      | <ul style="list-style-type: none"><li>• Underlying operating margin targeted to increase by ~300bps (Liquidnet contribution only)</li><li>• 20%+ operating margin of the combined business over the medium term</li></ul>   |
| <b>3 Enhanced returns</b>          | <ul style="list-style-type: none"><li>• Expected to be underlying earnings accretive in year 3</li></ul>  |
| <b>4 Incremental Investment</b>    | <ul style="list-style-type: none"><li>• ~£25m - £30m investment spend on Liquidnet in the 12 - 24 months post completion</li></ul>  |

### Dividend guidance

- If the Acquisition is approved, Board intends to recommend a one-off 50% reduction of the minimum £94m dividend in respect of FY 2020 to help fund the acquisition and minimise earnings dilution from the rights issue
- For FY 2021 onwards, the Board is introducing a new dividend policy that targets a dividend cover of ~2x underlying earnings

1. Liquidnet financials based on US GAAP. Adjusted EBITDA (non-GAAP metric) excludes equity based compensation and other non-recurring expenses etc. totalling \$17m

2. Senior Unsecured Vendor Loan Note interest rate at 3.2% per annum

---

# Business Transition

## Robust Governance Structure in Place, with Detailed Planning Underway

---

### Detailed transformation planning in-progress

- Chief Transformation Officer will lead the transition
- Transformation Management Office will report to the CEO
- Strong governance framework in place with clear lines of accountability

### Key transition focuses

- 1 Back-office integration in 2021 to facilitate an efficient transition**
  - Post completion, Liquidnet brand to be maintained
- 2 Designing and executing new business growth plans**
  - Key focus on developing opportunities in Credit and Rates
- 3 Reviewing and realising cost synergies**
  - Liquidnet is a complementary acquisition for TP ICAP and there are cost synergies to be realised

---

# Timeline and Approvals to Close

---

## Completion of the acquisition is conditional on, inter alia:

- 1) Completion of re-domiciliation via the incorporation of a new Group holding company in Jersey
- 2) TP ICAP shareholder approval and launch of rights issue
- 3) Approval by various regulatory bodies, including the Financial Conduct Authority
- 4) Anti-trust approval from the U.S. and German authorities

## Indicative timeline

- Transaction announcement – Oct 2020
- Expected publication of prospectuses and circulars for acquisition and re-domiciliation vote – Jan 2021
- Completion of re-domiciliation – early 2021
- Completion of the Transaction – Q1 2021





---

## Concluding Remarks

---

# Transformational Opportunity for TP ICAP

Positions TP ICAP for Sustainable Long-Term Growth



**Complementary combination with ability to create value for both sellside and buy-side market participants**

- Electronically-enabled client base and trading platform
- Global network with connectivity to the full spectrum of wholesale market participants – buy-side and sell-side
- Marketplaces across all major asset classes with multiple connectivity options, workflows and wide array of execution methods
- Rare data sets combined with intelligent analytics

①

**More diversified business with leading positions in key segments**

②

**Acceleration of strategy and upward shift of revenue growth profile (mid-single digit over the medium term)**

③

**Improvement in underlying operating margin to 20%+ over the medium term**

④

**Tangible new revenue growth opportunities**





---

**Q&A**

---





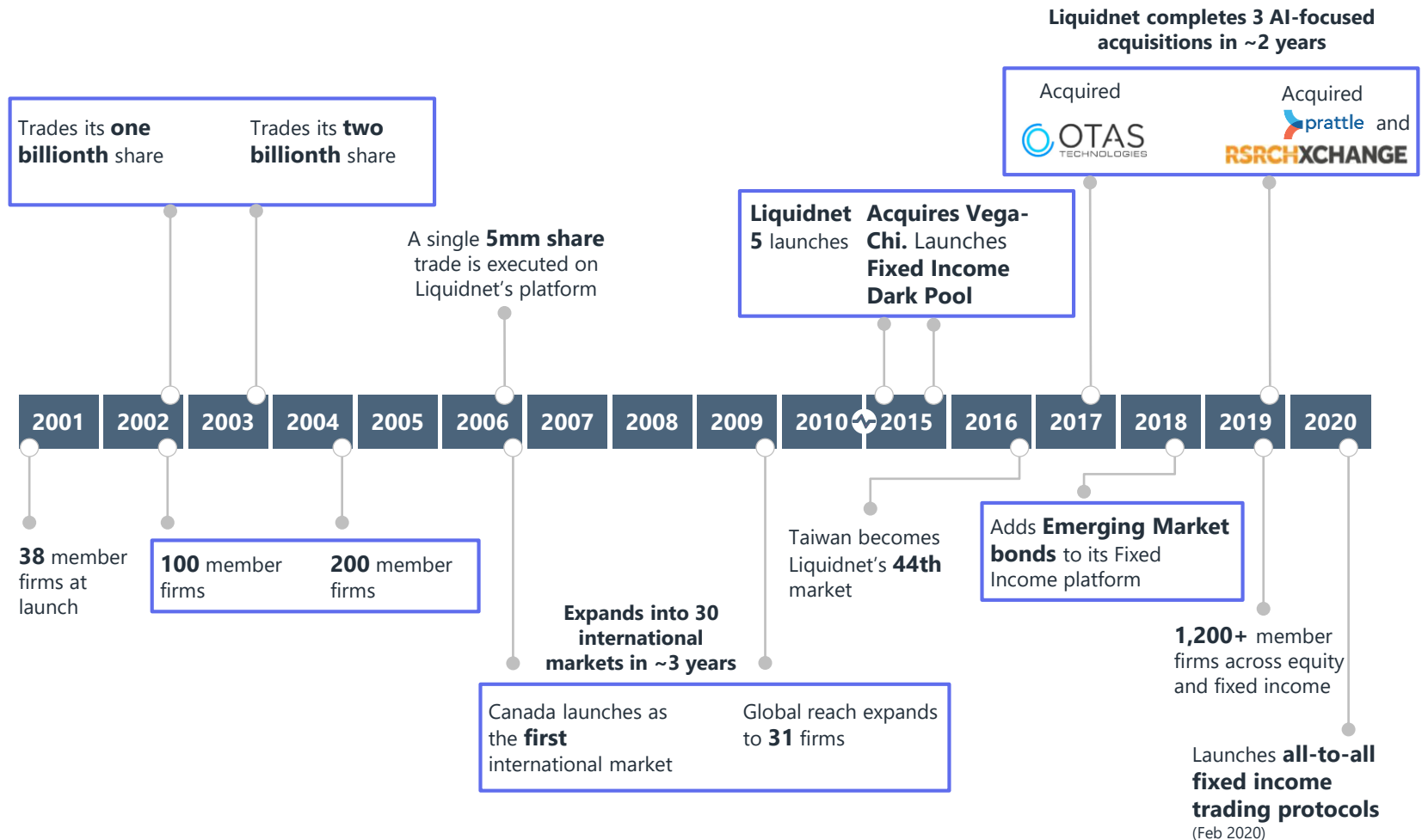
---

# Appendix

---

# Liquidnet Corporate Evolution

## 20 Year History of Building a Leading Franchise Organically and Through Acquisitions





# Liquidnet Historical Financials

\$m	2018	2019	LTM Jun-20
<b>Operating Revenues</b>	<b>341.5</b>	<b>302.2</b>	<b>339.2</b>
<b>Reported EBITDA</b>	<b>82.2</b>	<b>31.0</b>	<b>46.9</b>
(+) Equity-based Compensation	7.7	8.3	14.6
(+) Dual Occupancy Expense	6.5	1.6	0.4
(+/-) Other	(0.4)	2.1	2.1
<b>Adjusted EBITDA</b>	<b>96.0</b>	<b>43.0</b>	<b>64.0</b>



---

# Glossary

---

<b>All-to-All (A2A)</b>	System allows any member, dealer or client, to negotiate and trade with any other member
<b>Blotter Sync</b>	A scanning mechanism used to find matches for incoming order flows / indications of interest
<b>Client-to-Client (C2C)</b>	System allows only clients to negotiate and trade with other clients
<b>Dark trading</b>	Trades executed without pre-trade transparency
<b>Dealer-to-Client (D2C)</b>	System allows dealers to negotiate and trade with clients
<b>Dealer-to-Dealer (D2D)</b>	System allows only dealers to negotiate and trade with other dealers
<b>IDB</b>	Inter-dealer Broker
<b>IRD</b>	Interest Rate Derivatives

# Disclaimer

---

THIS DOCUMENT, ITS CONTENTS AND ANY INFORMATION PROVIDED OR COMMUNICATED DURING ANY PRESENTATION OR DELIVERY OF THIS DOCUMENT ARE NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA, JAPAN, NEW ZEALAND, THE REPUBLIC OF SOUTH AFRICA OR ANY JURISDICTION WHERE SUCH DISTRIBUTION IS UNLAWFUL. THIS DOCUMENT IS NOT AN OFFER OR INVITATION TO BUY OR SELL SECURITIES.

All material contained herein and all information disclosed in connection with this document, including any proposed terms and conditions, is for discussion purposes only, is subject to correction, update and change, and is strictly not to be relied upon for any purpose whatsoever. By receiving or by reading the presentation slides, you agree to the conditions set out on this slide.

This document has been prepared by TP ICAP plc (the "Company") in connection with the Company's proposed acquisition of Liquidnet Holdings, Inc. (the "Target") (the "Acquisition"). These slides do not purport to contain all the information that may be necessary or desirable to fully and accurately evaluate the Company, the Target or the business prospects of the Company and its subsidiaries, including the Target and its subsidiaries following the Acquisition (together, the "Enlarged Group"). This document and the information contained herein may not be disclosed, taken away, reproduced, redistributed, copied, transmitted or passed on, directly or indirectly, to any other person (whether within or outside such person's organisation or firm) or published, recorded, copied, stored in a retrieval system or used in whole or in part, for any purpose or under any circumstances at any time. Neither this document nor the meeting at which it is presented constitute a recommendation regarding any loans or securities of the Company or any of its subsidiaries. The information is in summary draft form and must not be relied upon for any purpose. It does not purport to contain all the information that may be required to evaluate the Company or the Target or their respective financial positions and/or the Acquisition and, in particular, is subject to completion, amendment, revision, verification, correction and updating in its entirety. Certain figures contained in this presentation, including financial information, may have been subject to rounding adjustments and foreign exchange conversions. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this presentation may not conform exactly to the total figure given.

This document is an advertisement for the purposes of the Prospectus Regulation Rules of the United Kingdom Financial Conduct Authority ("FCA") and is not a prospectus. This document is not, and should not be construed as, a prospectus or offering circular, is not intended for potential investors and does not and is not intended to constitute or form part of, and should not be construed as an offer, invitation, inducement or recommendation to sell or issue, or any solicitation of any offer to subscribe for or purchase any shares or other securities of the Company or the Target, to any person in any jurisdiction to whom or in which such offer or solicitation is unlawful, and nothing contained therein, nor the fact of its distribution, shall form the basis of or be relied on in connection with any contract or commitment whatsoever relating to any securities, in particular, it must not be used in making any investment decision. The information set out in this document is not intended to form the basis of any contract. The Company has not decided finally whether to proceed with any offering of securities. Such a decision would be taken only after assessing a number of criteria, including feedback and prevailing market conditions. No orders are being taken at this time. Orders can only be placed and accepted during a formal offering period and only after a final form prospectus has been made available by the Company. If a decision is subsequently made to proceed with any offer of securities, any investment decision should only be made on the basis of information contained in such prospectus. The prospectus or offering circular would supersede all information provided to you before the date of such document, and your investment decision, if any, would have to be made only on the basis of the information contained therein. You should conduct your own independent analysis of all relevant data provided in any prospectus or offering circular and you are advised to obtain independent expert advice as to the legal, tax, accounting, financial, credit and other related aspects before making any investment decision. Further, nothing in this document should be construed as constituting legal, business, tax, actuarial, financial or other specialist advice.

This document speaks as of the date hereof and has not been independently verified and no representation, warranty, or undertaking, express or implied, is made by the Company, the Target, their respective affiliates, their respective directors, officers, employees or agents or HSBC Bank plc ("HSBC") nor any of their respective affiliates, nor their or their respective affiliates', directors, officers, employees or agents as to the fairness, accuracy, completeness or correctness of the information or the opinions contained in this document or provided at any presentation of it. No reliance should be placed on the accuracy, completeness or fairness of such information or opinions for any purpose whatsoever, including but not limited to any investment considerations. Apart from the responsibilities and liabilities, if any, which may be imposed by the UK Financial Services and Markets Act 2000, as amended ("FSMA") or the regulatory regime established thereunder or any other laws, neither the Company, the Target, HSBC, nor any of their respective advisers, representatives, affiliates, directors, officers, employees or agents shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from any use of this document or its contents, or for information or opinions or for any errors, omissions or misstatements contained herein, or from any use of any information provided at the presentation or otherwise arising in connection with this document or the presentation at which it was presented. This document includes market share and industry data obtained by the Company or the Target from industry publications and surveys and internal surveys. The Company or the Target may not have access to the facts and assumptions underlying the numerical data, market data and other information extracted from publicly available sources. As a result, neither the Company, the Target, nor their respective shareholders, HSBC or any of their respective advisers, representatives, affiliates, directors, officers, employees or agents are able to verify such numerical data, market data and other information and assume no responsibility for the correctness of any market share or industry data or other information included in this document or provided at the presentation. Accordingly, undue reliance should not be placed on any of the industry, market or competitive position data contained herein. All information in this document and provided at any presentation of it is subject to updating, revision, verification, correction, completion, amendment and may change materially and without notice. The contents of this document have not been examined or approved by the FCA or London Stock Exchange plc, nor is it intended that they will be so examined or approved.

# Disclaimer

---

In giving this presentation, none of the Company, the Target or HSBC or their respective advisers, representatives, affiliates, directors, officers, employees or agents undertake any obligation to amend, correct or to provide the recipient with access to any additional information or to update this document or any information provided at the presentation or to correct any inaccuracies in any such information. The information contained in this document and provided at the presentation should be considered in the context of the circumstances prevailing at the time and has not been, and will not be, updated to reflect material developments which may occur after the date of the presentation. Any decision to purchase securities in any offering should be made solely on the basis of information contained in any prospectus or offering circular that may be published by the Company in final form in relation to any proposed offering. Matters discussed in this document, at the presentation and any materials distributed in connection with the presentation may constitute or include forward-looking statements. These forward-looking statements are statements that are not historical facts and may be identified by words such as “believes”, “expects”, “anticipates”, “intends”, “estimates”, “will”, “may”, “continues”, “should,” and similar expressions. These forward-looking statements reflect, at the time made, the Company’s beliefs, intentions and current expectations concerning, among other things, the benefits or synergies resulting from the Acquisition, as well as the Company’s and the Enlarged Group’s results of operations, financial condition, liquidity, prospects, growth, and strategies.

Although the Company and the Target believe that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors regarding the Company’s or the Enlarged Group’s present and future business strategies and the environment in which the Company and/or the Enlarged Group will operate in the future including, among other things, general business and economic conditions globally, development of business strategy of the Company and/or the Enlarged Group, including changes to their board and/or employee composition, changes to customer behaviours, industry trends, the implications and economic impact of several scenarios of the UK leaving the EU in relation to financial services, interest rate and currency fluctuations, competition, inflation, deflation, the timing and impact of other uncertainties of future acquisitions or combinations within relevant industries, IT system failures, cyber-crime, fraud and pension scheme liabilities as well as the impact of tax and other legislation or regulations (including changes to law and/or the policies and practices of the Bank of England, the FCA and/or other regulatory bodies) in the jurisdictions in which the Company and the Target and their respective affiliates operate. Forward-looking statements are not guarantees of future performance and such risks, uncertainties, contingencies and other important factors could cause the actual results of operations, financial condition and liquidity of the Company, the Target and their respective affiliates or the industry to differ materially from those results expressed or implied in this document or the presentation by such forward-looking statements. Potential investors should not place undue reliance on any forward-looking statements in making their investment decisions. No statement in this presentation (including any statement of estimated synergies) is intended nor may be construed as a profit forecast or estimate for any period and no statement in this presentation should be interpreted to mean that contribution, underlying operating profit, underlying operating profit margin, cash flow from operating activities, revenue, or earnings per share of the Company, or the Target or the Enlarged Group, as appropriate, for the current or future financial years would necessarily match or exceed the historical published contribution, underlying operating profit, underlying operating profit margin, cash flow from operating activities, revenue, or earnings per share for the Company or the Target, as appropriate. No representation or warranty is made as to the achievement or reasonableness of, and no reliance should be placed on, such forward-looking statements. The past performance of the Company or the Target is not a reliable indication of the future performance of the Company, the Target or the Enlarged Group. Any investment in the Company is speculative, involves a high degree of risk, and could result in the loss of all or substantially all of an investment. Results can be positively or negatively affected by market conditions beyond the control of the Company or any other person. None of the relevant parties has independently verified the material in this presentation and the relevant parties do not make any representation as to the accuracy of such information.

HSBC, which is authorised and regulated in the United Kingdom by the FCA, is acting solely for the Company and no one else in connection with this document and the matters referred to herein and for no one else and it will not regard any other person (whether or not a recipient of this document) as a client in relation to this document or the matters referred to herein, and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for providing advice in relation to this document or any other matter referred to in this document or at any presentation of it.

Neither this document nor the presentation is an offer for sale of securities in the United States or any other jurisdiction. Neither the Company, nor any of its affiliates, intends to register any securities that it may offer under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or to conduct a public offering in the United States. Any such securities have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, reoffered, sold, resold, distributed, delivered or otherwise transferred, directly or indirectly, in or into the United States absent registration under the U.S. Securities Act or pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act. Neither this document nor any copy of it nor the information contained herein is being issued or may be taken, distributed, or transmitted, directly or indirectly, into the United States, its territories and possessions, Australia, Canada, New Zealand, the Republic of South Africa or Japan or to any securities analyst or other person in any of those jurisdictions. Any failure to comply with this restriction may constitute a violation of United States, Canadian, Australian, New Zealand, South African or Japanese securities laws. This document is also not for publication, release or distribution in any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction nor should it be taken or transmitted into such jurisdiction and persons into whose possession this document comes should inform themselves about and observe any such relevant laws.



---

# Disclaimer

---

Any securities referred to herein have not been and will not be registered under the applicable securities laws of Australia, Canada, New Zealand, the Republic of South Africa or Japan and may not be offered or sold within Australia, Canada, New Zealand, the Republic of South Africa or Japan or to any national, resident or citizen of Canada, Australia, New Zealand, the Republic of South Africa or Japan. No money, securities or other consideration is being solicited, and, if sent in response to this document or the presentation or the information contained herein, will not be accepted.

This document and any presentation at which it is presented are only addressed to and directed at persons in the European Economic Area (the "EEA") and the United Kingdom who are qualified investors within the meaning of Article 2(e) of EU Regulation 2017/1129 ("Qualified Investors") and, additionally in the United Kingdom, to Qualified Investors who (i) fall within the definition of "investment professionals" contained in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the "Order"); or (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Order or (iii) fall within another exemption to the Order (all such persons in together being referred to as "Relevant Persons"). This document and any presentation at which it is presented must not be acted on or relied on (i) in the United Kingdom, by persons who are not Relevant Persons, and (ii) in any member state of the EEA other than the United Kingdom, by persons who are not Qualified Investors. Any investment or investment activity to which this document or the presentation relates is available only to Relevant Persons or Qualified Investors or will be engaged in only with Relevant Persons or Qualified Investors. By attending any presentation of this document and viewing this document, the attendee and recipient agrees to be bound to the foregoing limitations and conditions, is deemed to confirm, represent and warrant to the Company that they are a Relevant Person or Qualified Investor (as applicable) and agrees that he / she will not copy, reproduce, distribute, disclose or provide any information or material contained in this document or discussed at any such presentation directly or indirectly to any other person. If this document has been received in error it must be returned immediately to the Company.

By accepting receipt of or electronically accessing this document or attending any presentation or delivery of this document you agree to be bound by the foregoing limitations and conditions and, in particular, will be taken to have represented, warranted, undertaken and acknowledged to the Company and HSBC, that: (i) you are able to receive this document without contravention of any applicable legal or regulatory restrictions; (ii) you are either (a) qualified institutional buyers (within the meaning of Rule 144A under the U.S. Securities Act), or (b) are located outside of the United States; (iii) you are a Relevant Person and/or Qualified Investor (as applicable and as defined above); (iv) you agree not to transmit, send or distribute, directly or indirectly, this document or any information contained in this document or at any presentation of this document in or into the United States; (v) you will not rely on this document for the purposes of any involvement in any offer of securities; (vi) you will not deal in (or encourage any other person to deal in) the shares or financial instruments of the Company or the Target in reliance on or base any behaviour on any information you receive that is included in this document or as part of attending any presentation of this document; and (vii) you will not record, distribute, copy, reproduce, publish, store in a retrieval system, transmit or pass on this document, directly or indirectly, in whole or in part. Failure to comply with these restrictions may constitute a violation of applicable securities laws.