

**THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA, if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you sell or otherwise transfer, or have sold or otherwise transferred, all your Ordinary Shares in the Company, please forward this document, but not the accompanying pink Form of Proxy, as soon as possible to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or the transferee. If you sell or have sold or otherwise transferred only part of your holding of Ordinary Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected. If you receive this document from another Shareholder, as a purchaser or transferee, please contact the Registrar for a Form of Proxy.

The distribution of this document in or into jurisdictions other than the UK may be restricted by the laws or regulations of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction.

Neither this document nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Sale Resolution or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document is not a prospectus.

---

RIVER AND MERCANTILE

## **River and Mercantile Group PLC**

(Incorporated in England and Wales with registered number 04035248)

### **Proposed Sale of River and Mercantile LLC Approval of a Related Party Transaction**

and

### **Notice of General Meeting**

---

This document, together with the accompanying pink Form of Proxy, should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company which is set out in Part 1 (Letter from the Chairman of River and Mercantile Group PLC) of this document and which contains a unanimous recommendation from the Directors that you vote in favour of the Sale Resolution to be proposed at the General Meeting. The Sale will not take place unless the Sale Resolution is passed at the General Meeting.

**Notice of the General Meeting, to be held at One Bishops Square, London, E1 6AD, is set out in Part 5 (Notice of General Meeting) of this document.**

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

Whether or not you intend to be present at the meeting, you are asked to complete and return your pink Form of Proxy in accordance with the instructions printed on it to the Company's UK Registrar, Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex, United Kingdom, BN99 6DA, as soon as possible and, in any event, so as to be received by no later than 11.45 a.m. (UK time) on 30 March 2022 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

If you hold your Ordinary Shares in CREST, and you wish to appoint a proxy or proxies through the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual (available by logging in at [www.euroclear.com](http://www.euroclear.com)). In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) not later than 11.45 a.m. (UK time) on 30 March 2022.

Jefferies International Limited (**Jefferies**), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for the Company as corporate broker and as sponsor and for no one else in connection with the Sale and will not be, responsible to anyone other than the Company for providing the protection offered to clients of Jefferies nor for providing advice in relation to the Sale or any other matters referred to in this document.

Apart from the responsibilities and liabilities, if any, which may be imposed upon Jefferies by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, Jefferies and its respective subsidiaries, branches and affiliates, and such entities' respective directors, officers, employees and agents (the **Jefferies Group**) do not accept any responsibility whatsoever or make any representation or warranty, express or implied, concerning the contents of this document, including its accuracy, completeness or verification, or concerning any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Sale, and nothing in this document is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. The Jefferies Group accordingly disclaims, to the fullest extent permitted by law, all and any responsibility and liability whether arising in tort, contract or otherwise (save as referred to herein) which it might otherwise have in respect of this document or any such statement.

This document is a circular relating to the Sale which has been prepared in accordance with the Listing Rules and approved by the FCA.

Capitalised terms have the meaning ascribed to them in Part 4 (Definitions) of this document. Numbers used in this document may have been rounded, and as a result of this rounding, the data presented in this document may vary slightly from the actual numbers.

**A summary of action to be taken by Shareholders is set out in Part 1 (Letter from the Chairman of River and Mercantile Group PLC) of this document and in the Notice of General Meeting set out in Part 5 (Notice of General Meeting) of this document.**

This document is dated 8 March 2022.

## **Important notices**

### **Information regarding forward-looking statements**

This document includes forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Company's control. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believe", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "continues", "assumes", "positioned" or "anticipates" or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical acts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Directors or the Company concerning, among other things, the results of operations, financial condition, prospects, growth, strategies and dividend policy of the Company and the industry in which it operates.

These forward-looking statements and other statements contained in this document regarding matters that are not historical acts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Company. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements.

By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the Company's control including amongst other things, international and global economic and business conditions, the implications and economic impact of the Covid-19 pandemic, the implications and economic impact of the UK's future relationship with the EU in relation to financial services, market related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory authorities, the impact of competition, inflation, deflation, the timing and impact of other uncertainties of future acquisitions or combinations within relevant industries, as well as the impact of tax and other legislation and other regulations in the jurisdictions in which the Company and its affiliates operate. As a result, the Company's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in the Company's forward looking statements. Neither the Company nor any of its Directors, officers or advisers provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as at the date of this document.

Other than in accordance with its legal or regulatory obligations (including under the Listing Rules, Market Abuse Regulation and the Disclosure Guidance and Transparency Rules), the Company is not under any obligation and the Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### **No profit forecast**

No statement in this document is intended as a profit forecast or a profit estimate and no statement in this document should be interpreted to mean that earnings per Ordinary Share for the current or future financial years will necessarily match or exceed the historical published earnings per Ordinary Share.

## Shareholder helpline

If you have **any questions about this document**, the General Meeting or on the completion and return of the pink Form of Proxy, you should visit **help.shareview.co.uk** or, alternatively, **please call** the Equiniti shareholder helpline between 8.30 a.m. and 5.30 p.m. (UK time) Monday to Friday (except public holidays in England and Wales) on 0371 384 2050 (calls to this number are charged at the standard geographical rate and will vary by provider) or on +44 (0) 371 384 2050 from outside the UK (charged at the applicable international rate). Please note that calls may be monitored or recorded and the helpline cannot provide financial, legal or tax advice or advice on the merits of the Sale.

## Contents

	<b>Page</b>
Expected timetable of principal events .....	6
Directors, Company Secretary, Registered Office and Advisers .....	7
Part 1: Letter from the Chairman of River and Mercantile Group PLC.....	8
Part 2: Principal Terms and Conditions of the Sale .....	12
Part 3: Additional Information .....	14
Part 4: Definitions.....	18
Part 5: Notice of General Meeting .....	21

## Expected timetable of principal events

<b>Event</b>	<b>Time and/or date<sup>(1)(2)</sup></b>
Announcement of the Sale	25 January 2022
Record date for mailing of this document <sup>(4)</sup>	4 March 2022
Publication of this document, the Notice of General Meeting and the Form of Proxy	8 March 2022
Mailing of this document, the Notice of General Meeting and the Form of Proxy	8 March 2022
Shareholder questions to be received by the Company Secretary	5.30 p.m. on 28 March 2022
Latest time and date for receipt of Form of Proxy <sup>(3)</sup> and CREST Proxy Instructions in respect of the General Meeting	11.45 a.m. on 30 March 2022
Latest time and date for eligibility to vote at the General Meeting <sup>(4)</sup>	6.30 p.m. on 30 March 2022
General Meeting	11.45 a.m. on 1 April 2022 <sup>(5)</sup>
Publication of results of General Meeting via RNS	As soon as practicable after the conclusion of the General Meeting
Expected timing of Completion of the Sale (subject to Shareholder approval and satisfaction of other conditions)	Q2 of 2022

---

### Notes:

1. All references in this document to time are to London (UK) time unless otherwise stated.
2. The timetable may be subject to change. If any of the above times and/or dates should change, the new times and/or dates will be notified to the FCA, and the London Stock Exchange, and where appropriate, announced to Shareholders through a Regulatory Information Service.
3. Voting deadlines may vary depending on how you hold your shares. If you hold your shares via a broker or nominee, please contact them to confirm their voting deadline.
4. Record date, based on the persons entered on the register of members of the Company.
5. To commence at the time fixed or as soon thereafter as the general meeting in connection with the Return of Capital has been concluded or adjourned.

## **Directors, Company Secretary, Registered Office and Advisers**

<b>Directors</b>	Jonathan Dawson (Chairman) Martin Gilbert (Deputy Chairman) Alex Hoctor-Duncan (Group Chief Executive Officer) Simon Wilson (Chief Financial Officer) Angela Crawford-Ingle (Senior Independent Non-executive Director) John Misselbrook (Independent Non-executive Director) Miriam Greenwood (Independent Non-executive Director)
<b>Company Secretary</b>	Sally Buckmaster
<b>Registered and Head Office</b>	30 Coleman Street London EC2R 5AL
<b>Sponsor and Corporate Broker</b>	Jefferies International Limited 100 Bishopsgate London EC2N 4JL
<b>Legal Adviser to the Company</b>	Allen & Overy LLP One Bishops Square London E1 6AD
<b>Legal Adviser to the Sponsor</b>	Linklaters LLP One Silk Street London EC2Y 8HQ
<b>Auditor and Reporting Accountant</b>	BDO LLP 55 Baker Street London W1U 7EU
<b>Registrars</b>	Equiniti Limited Aspect House Spencer Road Lancing West Sussex BN99 6DA

## PART 1

### Letter from the Chairman of River and Mercantile Group PLC

RIVER AND MERCANTILE

River and Mercantile Group PLC (referred to as **RMG PLC** or the **Company**)

#### Directors:

Jonathan Dawson (Chairman)  
Martin Gilbert (Deputy Chairman)  
Alex Hoor-Duncan (Group Chief Executive Officer)  
Simon Wilson (Chief Financial Officer)  
Angela Crawford-Ingle (Senior Independent Non-Executive Director)  
John Misselbrook (Independent Non-Executive Director)  
Miriam Greenwood (Independent Non-Executive Director)

#### Registered and head office:

30 Coleman Street  
London  
United Kingdom  
EC2R 5AL  
8 March 2022

Dear Shareholder,

#### Proposed Sale of River and Mercantile LLC Approval of a Related Party Transaction and Notice of General Meeting

#### 1. Introduction

On 25 January 2022 the Group announced the proposed sale of its US Solutions business, River and Mercantile LLC (**RAM LLC**) by River and Mercantile US Holdings Limited, a wholly owned subsidiary of the Group (the **Seller**) to Agilis Holding Company LLC (the **Buyer**) for a minimum consideration of approximately \$8.6 million (the **Sale**). The Sale is a key step in the Group's strategy of realising value for shareholders and follows the announcement on 25 January 2022 of the proposed all-share acquisition of the Company by AssetCo, the terms of which are disclosed in the Rule 2.7 announcement issued on 25 January 2022 and the Scheme Circular, and the sale of its UK Solutions business to Schroder International Holdings Limited (a subsidiary of Schroders plc) which completed on 31 January 2022.

Michael Faulkner, Ryan McGlothlin, Tom Cassara and David Rosenblum, the key senior managing personnel of the US Solutions business (together, the **Buyer Principals**), hold the interests in the Buyer and will provide the funding to complete on the Sale. Michael Faulkner, Ryan McGlothlin and Tom Cassara are managers of RAM LLC. RAM LLC is a Delaware limited liability company and the Company regards a manager of RAM LLC as equivalent to a director of a company incorporated in England & Wales. As such, the Company regards Michael Faulkner, Ryan McGlothlin and Tom Cassara as "directors", and the Buyer as their Associate, for the purposes of Listing Rule 11.1.4. Michael Faulkner and Ryan McGlothlin are also directors of the Seller. The Buyer, and Michael Faulkner, Ryan McGlothlin and Tom Cassara (all three together being the **Related Party Managers**), are therefore all related parties to the Company and the transaction constitutes a related party transaction under Chapter 11 of the Listing Rules and requires the approval of the Sale Resolution by Shareholders. A notice convening the General Meeting, at which the Sale Resolution will be proposed, is set out in Part 5 (Notice of General Meeting) of this document.

The Sale is also conditional on the transfer, sale or winding-up of the Group's emerging markets equities business (the **ILC Business**), which is currently carried on out of RAM LLC, before Completion (the **ILC Condition**). The Group expects that the ILC Business will continue to be part of the Group's asset management activities and will be supported by the remaining business of the Group.



The Sale is expected to complete in the second quarter of the year (the **Closing Date**).

The principal terms of the Sale are described in more detail in section 3 below and Part 2 (Principal Terms and Conditions of the Sale) of this document.

This document sets out the background to and reasons for the Sale, information on the Sale and why the Board unanimously considers the Sale to be in the best interests of the Company and its Shareholders as a whole and recommends that Shareholders vote in favour of the Sale Resolution.

The Directors who hold shares in the Company intend to vote in favour of the Sale Resolution at the General Meeting in respect of their aggregate shareholdings in the Company representing 0.21 per cent. of the Company's issued share capital as at the Latest Practicable Date.

Shareholders should read the whole of this document and not rely solely on this letter.

Other than as set out in this letter capitalised terms have the meaning given to them in Part 4 (Definitions) of this document.

## 2. Background to and reasons for the Sale

RAM LLC operates independently to the rest of the Group and focuses on improving investment outcomes for a range of US-based investors, offering flexible solutions determined by client-specific needs across both actuarial and investments. It operates the US Solutions business and also the ILC Business.

There are two key groups within the US Solutions business: (1) the actuarial group, which specialises in pension actuarial and administrative services including annuity buyouts and plan terminations; and (2) the investment group, which specialises in outsourced CIO services, investment consulting, derivatives management, and investment management.

In 2021, given the continued undervaluation of the Group, the Board committed to a definite plan to accelerate delivery of value to shareholders and at the same time deliver the optimal environment for the Group's businesses to grow and continue to deliver excellent outcomes to clients.

As announced on 26 October 2021, the Group received an approach for the acquisition of RAM LLC and discussions regarding a sale of the US Solutions business have been progressing ever since.

The Sale represents the culmination of those discussions and represents another key step in the realisation of the strategy to unlock value from the Group.

RAM LLC also operates the ILC Business, which, as noted above, will be retained by the Group.

The gross assets of RAM LLC were \$5.7m as at 31 December 2021 and it delivered a loss before tax for the year ended 30 June 2021 of \$1.9m. Assets under advice and management totalled \$7.4bn as at 30 June 2021.

## 3. Principal terms and conditions of the Sale

The membership interest purchase agreement was entered into on 25 January 2022 (the **Purchase Agreement**) between the Seller, the Buyer and the Buyer Principals.

Pursuant to the terms of the Purchase Agreement, the Seller has agreed to sell all the issued and outstanding membership interests of RAM LLC to the Buyer.

The consideration will be a minimum of \$8.6m (subject to adjustment based on net tangible assets at Completion) which will be payable \$0.9m in cash on the Closing Date, a further \$1.7m in cash 60 days following the Closing Date and the issuance of a secured interest-bearing promissory loan note to the Seller of \$6.0m on the Closing Date (the **Note**).

The Note will have a five year term, bearing an annual interest rate of 6 per cent. with the first year's interest rolled into the principal and paid thereafter on an annual basis in arrears.

Repayment of \$3m of the Note by the Buyer will be accelerated if the Company returns between £100m and £200m to its shareholders as part of the proposed capital return first announced by the Group on 24 November 2021, and 100 per cent. of the outstanding balance is repayable upon a return of £200m or more by the Company to its shareholders or upon completion of a change of control of the Group.

The Seller shall provide reasonable evidence that RAM LLC has net tangible assets on the Closing Date of not less than \$2.0m and the cash proceeds shall be adjusted down if the net tangible assets are lower on a dollar for dollar basis.

Additional consideration may be payable by the Buyer to the Group if RAM LLC is sold (the **Further Transaction**) during a further period of thirty-six (36) months after the Closing Date and the Further Transaction meets certain consideration thresholds, with such additional consideration being subject to a cap of \$8.6 million. The additional consideration right will fall away upon repayment of the Note and the Group does not expect a material increase in the proceeds as additional consideration.

As the Sale constitutes a related party transaction for the Company under the Listing Rules, Completion is therefore conditional on the approval of the Sale by Shareholders at a general meeting. The Sale is also conditional on the transfer of the ILC Business out of RAM LLC.

Further details of the Purchase Agreement and other material transaction documents are set out in Part 2 (Principal Terms and Conditions of the Sale) of this document.

#### **4. Proposed Return of Capital and acquisition of the Company by AssetCo**

On 25 January 2022, the directors of the Company (other than Martin Gilbert) and the directors of AssetCo announced that they had reached agreement on the terms and conditions of a recommended all-share acquisition by AssetCo of the entire issued and to be issued share capital of the Company other than the shares in the Company already beneficially owned by AssetCo, further details of which are set out in the Scheme Circular.

Also on 25 January 2022, the Company announced that, conditional on (amongst other things) shareholder approval of the Acquisition and receipt of clearance from the FCA in relation to the Acquisition, the Company proposed to return £190 million to shareholders, further details of which are set out in the Return of Capital Circular.

The Sale is not conditional on either (a) the approval by Shareholders of the Acquisition or of the Return of Capital; or (b) the completion of the Acquisition or of the Return of Capital. Therefore, subject to satisfaction of the conditions described in this document (including approval of the Sale Resolution by Shareholders), the Sale will proceed whether the Acquisition and/or the Return of Capital proceed or not. However, completion of the Return of Capital will accelerate the repayment by the Buyer of \$3m of the Note which forms part of the consideration for the Sale and completion of the Acquisition will accelerate 100 per cent. of the balance. See Part 2 (Principal Terms and Conditions of the Sale) for further details of the terms of the Note.

#### **5. Use of proceeds and financial effects of the Sale**

The Directors intend to use the net cash proceeds from the Sale to increase the Group's surplus cash resources. The Sale will not impact the operations of the Group's remaining business. If the Sale completes before completion of the Acquisition, the proceeds are not intended to be distributed to the Shareholders, but will be available to the Group and (if the Acquisition becomes effective) the combined Group following the Acquisition. If the Sale completes after the Acquisition becomes effective, the proceeds will be available to the combined Group.

#### **6. Risks relating to the Sale**

The Directors believe that the following are the principal risks in relation to the Sale:

- (a) the Seller may be liable in respect of any breach of the warranties, indemnities or undertakings given by them in the Purchase Agreement, which are capped at the amount of consideration received;
- (b) the Buyer may, notwithstanding satisfaction of all other closing conditions, fail to proceed with Completion of the Transaction or pay the deferred elements of the consideration due under the Purchase Agreement and the Note to the Seller, in which case the Seller would seek to rely on the personal guarantee from each of the Buyer Principals in respect of the cash portion of the purchase price and its rights as a secured creditor, as described in Part 2 (Principal Terms and Conditions of the Sale) of this document; and

- (c) Completion is conditional upon the satisfaction (or waiver, if applicable) of a number of conditions set out in the Purchase Agreement, including the approval of the Sale Resolution by the Shareholders (the subject of this document), the ILC Condition, and the completion and delivery of several ancillary agreements to the satisfaction of both parties; and there can be no assurance that the conditions to the Sale will be satisfied and if any condition is not satisfied (or waived, if applicable) by 30 September 2022 the terms of the Purchase Agreement may lapse and cease to have effect and Completion will not take place.

#### **7. Action to be taken**

At the General Meeting the Sale Resolution will be proposed which, if passed, will approve the Sale substantially on the terms and subject to the conditions summarised in Part 2 (Principal Terms and Conditions of the Sale) of this document and will authorise the Directors to give effect to the Sale.

You will find enclosed with this document the Form of Proxy (printed on pink paper) for use in respect of the Sale Resolution to be proposed at the General Meeting. **You are requested to complete the Form of Proxy in accordance with the instructions printed on it/them, and return it/them as soon as possible, but in any event so as to be received by the Company's UK Registrar, Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex, United Kingdom, BN99 6DA, by hand or by post, not later than 11.45 a.m. (UK time) on 30 March 2022.**

If you hold your Ordinary Shares in CREST, and you wish to appoint a proxy or proxies through the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent not later than 11.45 a.m. (UK time) on 30 March 2022.

#### **8. Voting by the related parties**

The Related Party Managers are shareholders in the Company and, as required by the Listing Rules, the Related Party Managers are therefore precluded from voting on the Sale Resolution. The Related Party Managers have each undertaken to the Company that they will not vote on the Sale Resolution and that they will take all reasonable steps to ensure that their Associates will not vote on the Sale Resolution, in respect of any ordinary shares they or their Associates may hold at the date of the General Meeting.

#### **9. Additional information**

Your attention is drawn to the additional information set out in Part 3 (Additional Information) of this document. You are advised to read the whole of this document and not just rely on the key summarised information in this letter.

#### **10. Recommendation to Shareholders**

The Board, which has been so advised by Jefferies as sponsor in respect of the Sale, considers the Sale to be fair and reasonable so far as the Shareholders as a whole are concerned. In providing its advice to the Board, Jefferies has taken into account the Board's commercial assessment of the Sale.

**The Board considers the Sale and the passing of the Sale Resolution to be in the best interests of the Company and its Shareholders taken as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Sale Resolution to be proposed at the General Meeting.**

Yours faithfully,

For and on behalf of the Company

**Jonathan Dawson**  
Chairman

## PART 2

### Principal Terms and Conditions of the Sale

#### 1. Purchase Agreement and Ancillary Agreements

On 25 January 2022, the Seller entered into the Purchase Agreement pursuant to which, subject to shareholder consent, the Seller agreed to sell all of its membership interests in RAM LLC to the Buyer.

The Seller will enter into other ancillary agreements with the Buyer as set out in the Purchase Agreement on Completion. These include the Note, a security agreement, transitional services agreement, pledge agreement, and an assignment of membership interests (together, the **Ancillary Agreements**).

Certain assets owned or used by RAM LLC are excluded from the Sale and will be retained by the Seller or associated entities within the Group. Excluded assets include certain trademarks and trade names, including “River and Mercantile” and “P-Solve” (the **River and Mercantile Marks**), the assets associated with RAM’s operation of the ILC Business (the **ILC Assets**) and intellectual property used by RAMIL.

The Purchase Agreement and Ancillary Agreements are governed by the laws of the Commonwealth of Massachusetts.

#### 1.1 Consideration

The Buyer has agreed to acquire RAM LLC for a purchase price of \$8,556,000 (the **Purchase Price**). The Buyer will pay the Seller \$855,600 on the Closing Date, with a further \$1,700,400 payable by the Buyer within 60 days of the Closing Date (together, these amounts are referred to as the **Cash Portion** of the Purchase Price). The remainder of the Purchase Price, \$6,000,000, is payable by the delivery of the Note to the Seller.

The Seller shall provide reasonable evidence to the Buyer that RAM LLC has adjusted net tangible assets on the Closing Date of not less than \$2,000,000, calculated as set forth in the Purchase Agreement. The Seller has agreed that if adjusted net tangible assets are below the \$2,000,000 minimum, the Seller will reduce the intercompany payable owed by RAM LLC to the Seller as reflected in the records of RAM LLC (the **Intercompany Payable**) by an amount equal to the shortfall. Any remaining balance of the Intercompany Payable will be recorded on the books of RAM LLC as an unsecured obligation to be paid to the Seller over a period of one year. If the Intercompany Payable is fully discounted to zero in the foregoing manner and the resulting adjusted net tangible assets value is still less than \$2,000,000, the Purchase Price will be reduced by the difference between \$2,000,000 and the adjusted net tangible assets (as adjusted to reflect the elimination of the Intercompany Payable), such reduction to be reflected in the Cash Portion of the Purchase Price.

Payment of the Cash Portion of the Purchase Price is personally, jointly and severally guaranteed by the Buyer Principals.

The Note will have a five year term, bearing annual interest at a rate of six per cent, with the first year’s interest rolled into the principal and paid thereafter on an annual basis in arrears. The Note shall be secured by the Buyer’s membership interests in, and assets of, RAM LLC, subject to the terms of a pledge agreement and security agreement.

Under the Purchase Agreement, the repayment of the Note may be accelerated upon the occurrence of certain acceleration events linked to corporate transactions affecting the Group. The repayment of the Note by the Buyer will be accelerated in part to include a payment of \$3,000,000 toward the outstanding Note balance if the Company returns between £100m and £200m to its shareholders as part of the proposed Return of Capital, and in full to include payment of 100 per cent. of the outstanding Note balance upon a return of £200m or more by RMG to its shareholders or upon completion of a change of control of RMG.

Until the earlier of the 36th month anniversary of the Closing Date or the date on which the repayment of the Note is accelerated in full, the Buyer is required to pay the Seller additional consideration in the event that RAM LLC or the US Solutions business is subsequently sold for an amount greater than \$11,470,000. The additional consideration payable is determined by a revenue-based formula set out in the Purchase Agreement and is capped at an amount not to exceed

USD 8,556,000. If the Note is accelerated in part to include the payment of \$3,000,000 toward the outstanding balance of the Note, as described in the foregoing paragraph, then, upon the Buyer's payment of such amount, the Seller's right to additional consideration shall be reduced by 50 per cent. of the amount calculated pursuant to the revenue-based formula.

All amounts payable to the Seller under the Purchase Agreement and all other monetary amounts referred to in the Purchase Agreement and Ancillary Agreements are expressed and where applicable, payable in US Dollars.

## **1.2 Conditions and Completion**

Completion of the Sale is subject to certain conditions, including: (i) the passing of the Sale Resolution at the General Meeting; (ii) the Buyer's reasonable determination that RAM LLC, immediately following Completion, will continue to meet the definition of a 'Qualified Professional Asset Manager' under the applicable United States Employee Retirement Income Security Act of 1974 rules and regulations; and (iii) the sale or transfer of the ILC Assets and ILC Business by RAM LLC or the cessation of the operations of the ILC Business.

In accordance with the Purchase Agreement, Completion will occur on as soon as reasonably practicable following the last day of the calendar month during which all of the conditions set out in the Purchase Agreement have been satisfied or waived, or on such other date as agreed by the parties.

## **1.3 Pre-completion covenants**

The Seller is required to conduct the business of RAM LLC in the ordinary course and use reasonable efforts to maintain and preserve the current business of RAM LLC until the Closing Date.

The ILC Assets are excluded from the Sale and the Seller has agreed to use reasonable commercial efforts to cause RAM LLC to sell or transfer the ILC Assets to an entity within the Group or to a third party prior to Completion, or cease the operations of the ILC Business and wind up such business prior to Completion.

Each party has agreed to use commercially reasonable efforts to obtain all regulatory authorisations and consents that are necessary for the performance of its obligations under the Purchase Agreement.

The Purchase Agreement excludes the River and Mercantile Marks from the Sale and requires that the Buyer ceases to use the River and Mercantile Marks after Completion.

## **1.4 Warranties and indemnities**

The Purchase Agreement contains representations, warranties and undertakings that are customary for a transaction of the size and nature of the Sale, including in relation to the authorisations and consents for entry into the Purchase Agreement and ownership of the membership interests by the Seller.

The Seller has provided limited representations and warranties to the Buyer in relation to RAM LLC. Owing to the role of the Buyer Principals as the senior management of RAM LLC, the Seller has not given any representations or warranties to the Buyer as to the accuracy or completeness of any information regarding RAM LLC or the US Solutions business.

The Purchase Agreement contains indemnities that are customary for a transaction of the size and nature of the Sale.

## **1.5 Termination**

The Purchase Agreement may be terminated by mutual agreement or if the conditions set out in the Purchase Agreement have not or will not be fulfilled by 30 September 2022.

## **2. Transitional services arrangements**

The Purchase Agreement provides that the Seller and Buyer may enter into a transitional services agreement pursuant to which the Seller will provide certain services to, and receive certain services from, RAM LLC for a short period of time following the Closing Date.

## PART 3

### Additional Information

#### 1. Incorporation and registered office

The Company was incorporated on 17 July 2000 and is domiciled in the United Kingdom. It is a public limited company incorporated under the laws of England and Wales with registered number 04035248. Its registered office is 30 Coleman Street, London, United Kingdom, EC2R 5AL. The telephone number of the Company's registered office is +44 (0)203 327 5100.

The principal legislation under which the Company operates is the Companies Act and the regulations made under it.

#### 2. Major Shareholders

As at the Latest Practicable Date, insofar as it is known to the Company by virtue of notifications made to it pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules, the following persons are interested directly or indirectly in voting rights representing three per cent. or more of the total voting rights in respect of the issued Ordinary Share capital of the Company:

<b>Name of Shareholder</b>	<b>Number of voting rights attaching to RMG PLC shares</b>	<b>% interest in voting rights attaching to RMG PLC shares <sup>(1)</sup></b>
Punter Southall Group Ltd	17,242,703	20.18%
Abrdn plc	6,373,403	7.46%
Sir John Lionel Beckwith <sup>(2)</sup>	6,224,056	7.36%
AssetCo plc	5,000,000	5.85%
Unicorn Asset Management	4,908,210	5.74%
Aviva Investors	4,175,668	4.88%
Michael Jonathan Faulkner	4,063,071	4.75%
Gresham House Asset Management	3,381,720	3.96%
Premier Miton Investors	2,906,443	3.40%

#### Notes:

1. The percentage of voting rights detailed above was calculated at the time of the relevant disclosures made in accordance with Rule 5 of the FCA's Disclosure Guidance and Transparency Rules.
2. Of the 6,224,056 Ordinary Shares, 1,851,493 Ordinary Shares are held by Pacific Investments Management Limited, a company controlled by Sir John Lionel Beckwith.

#### 3. Related Parties' interests in the Company

##### 3.1 Interests in Ordinary Shares

As at the Latest Practicable Date, the Buyer and each of the Related Party Managers held the following legal and beneficial interests in Ordinary Shares:

<b>Name</b>	<b>Number of Ordinary Shares</b>	<b>Percentage of issued Ordinary Share capital</b>
Agilis Holding Company LLC	—	—
Michael Faulkner	4,063,071	4.75%
Ryan McGlothlin	222,589	0.26%
Tom Cassara	98,963	0.11%

#### 4. Interests in shares under share schemes

As at the Latest Practicable Date, neither the Buyer nor any of the Related Party Managers held any interests in any of the Group's outstanding share awards or plans.

#### 5. Service contracts and benefits upon termination

The Group has entered into service contracts with the Related Party Managers, the particulars of which as at the Latest Practicable Date are:

<u>Name</u>	<u>Date of initial appointment</u>	<u>Base salary 2021/22</u>	<u>Notice period</u>
Michael Faulkner	15 November 1999	£353,000	12 months
Ryan McGlothlin	1 September 2007	US\$287,500	90 days at any time or 60 days prior to the annual renewal date
Tom Cassara	23 May 2018	US\$325,000	90 days

Michael Faulkner is the former Chief Executive Officer of RMG PLC and is currently employed by RMG PLC as the Group Chief Investment Officer. Mr Faulkner entered into an executive services contract with RMG PLC on 1 July 2014. The agreement may be terminated by either party giving not less than 12 months' notice to the other party. Mr Faulkner will enter into a suitable replacement employment agreement with RAM LLC prior to Completion. Following completion, Mr Faulkner's employment with RAM LLC is expected to continue and he will therefore no longer be employed by an entity in the Group.

Ryan McGlothlin and Thomas Cassara are employed by RAM LLC. The details of their base salaries are set out in the table above. Mr McGlothlin and Mr Cassara are employed by RAM LLC for 1 year successive terms which automatically renew annually at the relevant renewal date unless notice is provided by either party that the term is not to be renewed (see notice periods set out above).

If Mr McGlothlin is terminated by RAM LLC without cause or if Mr McGlothlin terminates his employment for good reason, then he is entitled to certain post-employment termination benefits, being the payment of 90 days' base salary and payment of a portion of his monthly insurance continuation premium from the date of termination.

If Mr Cassara is terminated by RAM LLC without cause or if Mr Cassara terminates his employment for good reason, then he is entitled to certain post-employment termination benefits, being the payment of his base salary and benefits for 180 days after the date of termination.

#### 6. Related party transactions

Save as set out in this document, the Company has not entered into any related party transactions with the Buyer or any of the Related Party Managers within the last 12 months.

#### 7. Material contracts

- 7.1 Save as set out in this paragraph 7 below, there are no (i) material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company or any other member of the Group within two years immediately preceding the date of this document or (ii) contracts (not being contracts entered into in the ordinary course of business) entered into at any time by the Company or any other member of the Group which contain provisions under which any member of the Group has any obligation or entitlement which is or may be material to the Group as at the date of this document.
- 7.2 A description of the principal terms of the Purchase Agreement is set out in Part 2 (Summary of the Principal Terms and Conditions of the Sale) of this document.

#### UK Solutions SPA

- 7.3 The UK Solutions SPA was entered into on 26 October 2021 between the UK Solutions Seller, the Company, and the UK Solutions Purchaser. Pursuant to the terms of the UK Solutions SPA, the UK Solutions Seller agreed to sell the entire issued share capital of RAMIL to the UK Solutions Purchaser.

- 7.4 The consideration paid by the UK Solutions Purchaser to the UK Solutions Seller at completion of the UK Solutions Sale was approximately £237 million, to be adjusted in accordance with a customary completion accounts mechanism on a debt free cash free basis, and with the consideration being increased or decreased to reflect any surplus or deficit of working capital transferring with UK Solutions at completion compared to an agreed normalised level.
- 7.5 In the UK Solutions SPA, the UK Solutions Seller gave warranties and a tax covenant to the UK Solutions Purchaser that are customary for a transaction of this nature. With limited exceptions, the liability of the UK Solutions Seller to the UK Solutions Purchaser in respect of these warranties and tax covenant is limited to £1 in aggregate. The UK Solutions Purchaser has taken out an insurance policy in respect of these warranties and tax covenant on terms that are customary for a transaction of this nature.
- 7.6 The UK Solutions SPA is governed by English law.
- 7.7 The UK Solutions Sale completed on 31 January 2022.

#### **UK Solutions TSA**

- 7.8 On 31 January 2022, the UK Solutions Seller and RAMIL entered into the UK Solutions TSA to govern the transitional support to be provided by the UK Solutions Seller to RAMIL following completion of the UK Solutions Sale. The transitional services to be provided by the UK Solutions Seller consist of certain fund operations and technology services.

#### **Return of Capital**

- 7.9 As set out in the Return of Capital Circular, the Company and Jefferies have entered into certain agreements in relation to the Return of Capital, including a deed pursuant to which, subject to certain conditions, Jefferies will offer to purchase the B Shares as part of the Return of Capital.

#### **Acquisition**

- 7.10 As set out in the Scheme Circular, the Company has entered into certain offer related arrangements with AssetCo PLC as set out below:

##### *Confidentiality Agreements*

AssetCo PLC and the Company entered into confidentiality agreements, pursuant to which they have undertaken to keep certain information relating to each other confidential and not to disclose such information to third parties, except to certain permitted recipients or if required by applicable laws or regulations.

The confidentiality obligations of each party under each confidentiality agreement continue until the earlier of (i) two years after the date of the agreement or on which the materials containing the confidential information are returned or destroyed in accordance with the terms of such confidentiality agreement (as applicable), or (ii) the acquisition completes. One of the confidentiality agreements also contains customary standstill provisions, subject to customary carve-outs, for a period of 12 months from the date of such agreement.

##### *Co-operation Agreement*

On January 25 2022, AssetCo PLC and the Company entered into a co-operation agreement, pursuant to which they agreed, *inter alia*, to cooperate in relation to obtaining any consents, clearances, permissions, waivers and/or approvals as may be necessary, and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable regulatory authority in connection with the Acquisition.

The co-operation agreement will terminate in certain circumstances, including if the Acquisition is withdrawn, terminated or lapses; or if a competing offer completes, becomes effective or is declared unconditional.

#### **8. No significant change**

Other than the events described below, there has been no significant change to the financial position of the Group since 30 June 2021, being the end of the last financial period for which audited financial statements have been published.



On 31 January 2022 the Group completed the sale of the UK Solutions business to Schroder International Holdings Limited for consideration of approximately £237 million. The final consideration amount remains subject to adjustment in accordance with a customary completion accounts mechanism on a debt free cash free basis. Following the completion of the UK Solutions Sale, and as foreshadowed in the circular to shareholders in connection with the UK Solutions Sale, the Group has been taking action to right-size its cost base, whilst ensuring the execution of its post-UK Solutions Sale strategic plan to grow and diversify the Group's asset management business. This will result in a reduction in administrative costs and the number of full time employees in certain central functions although there will be some uncertainty as to the quantum of the cost base of the business at the time of the Acquisition becoming effective.

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

As announced on 15 February 2022, the Group received notice from a client of its equities asset management business of the client's intention to redeem approximately £927 million of assets managed by the Group across several global equity strategies. The assets to be redeemed represent annualised revenue to the Group of approximately £2.8 million.

#### **9. Consent**

Jefferies has given, and not withdrawn, its written consent to the issue of this document with references to its name being included in the form and context in which they appear.

#### **10. Documents available for inspection**

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at: (i) the offices of Allen & Overy LLP at One Bishops Square, London E1 6AD; and (ii) the Company's registered office address at 30 Coleman Street, London, United Kingdom EC2R 5AL (during normal business hours) and (with the exception of the Purchase Agreement) on the Company's website (<https://riverandmercantile.com/>) where Shareholders can follow instructions on how to access such documents, from the date of this document up to and including the date of the General Meeting and for the duration of the General Meeting:

- the Company's articles of association;
- the Purchase Agreement;
- the audited financial statements of the Company for each of the financial years ended 30 June 2019, 30 June 2020 and 30 June 2021;
- the written consent referred to in paragraph 9 of this Part 3 (Additional Information) of this document; and
- this document and the Form of Proxy.

## PART 4

### Definitions

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

<b>Acquisition</b>	the proposed acquisition by AssetCo of the entire issued and to be issued ordinary share capital of the Company which a member of the AssetCo Group does not already beneficially own, to be effected by means of a scheme of arrangement under Part 26 of the Companies Act or, should AssetCo so elect, subject to the terms of a co-operation agreement dated 25 January 2022 between AssetCo and the Company relating, among other things, to the implementation of such scheme and with the consent of the Panel on Takeover and Mergers, by means of a takeover offer (as defined in Chapter 3 of Part 28 of the Companies Act) under the Takeover Code, and where context admits, any subsequent revision, variation, extension or renewal thereof
<b>Ancillary Agreements</b>	the Note, security agreement, transitional services agreement, pledge agreement, and assignment of membership interests in each case to be entered into between the Seller, the Buyer and the Buyer Principals on Completion of the Sale
<b>Associate</b>	has the meaning given to it in the Listing Rules when used in the context of a director, substantial shareholder or a person exercising significant influence who is an individual
<b>AssetCo</b>	AssetCo plc
<b>AssetCo Group</b>	AssetCo and its subsidiaries and its subsidiary undertakings and where the context permits, each of them;
<b>B Shares</b>	the irredeemable preference B shares in the capital of the Company issued in connection with the B Share Scheme
<b>B Share Scheme</b>	the issue of B Shares to the Shareholders <i>pro rata</i> to their holdings of the Ordinary Shares, such B Shares being purchased by Jefferies (acting as principal not as agent for the Company) for an aggregate amount equal to £190 million, Jefferies receiving a dividend on such B Shares equal to £190 million plus an amount equal to any stamp duty arising on the purchase of the B Shares or, if Jefferies has not purchased the B Shares, the Shareholders receiving a dividend for an aggregate amount equal to £190 million with the B Shares then converting into C shares with no dividend rights and being repurchased and cancelled by the Company (if from the Shareholders rather than Jefferies, then via Jefferies) for an amount equal to their nominal value, on terms more particularly described in the Return of Capital Circular
<b>Board</b>	the Board of Directors of the Company
<b>Buyer</b>	Agilis Holding Company LLC
<b>Buyer Principals</b>	Michael Faulkner, Ryan McGlothlin, Tom Cassara and David Rosenblum
<b>Closing Date</b>	the date of Completion, currently anticipated to be in Q2 2022
<b>Company or RMG PLC</b>	River and Mercantile Group PLC, a public limited company incorporated in England and Wales with registered number 04035248, having its registered office and head office at 30 Coleman Street, London, England, EC2R 5AL
<b>Companies Act</b>	the Companies Act 2006, as amended from time to time
<b>Completion</b>	completion of the Sale in accordance with the terms of the Purchase Agreement

<b>CREST</b>	the electronic transfer and settlement system for the paperless settlement of trades in listed securities operated by Euroclear
<b>CREST Manual</b>	the manual, as amended from time to time, produced by Euroclear describing the CREST system and supplied by Euroclear to users and participants thereof
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
<b>Directors</b>	the Directors of the Company whose names appear on page 7 of this document
<b>Disclosure Guidance and Transparency Rules</b>	the disclosure and transparency rules made by the FCA under section 73A of FSMA, as amended from time to time
<b>Euroclear</b>	Euroclear UK & Ireland Limited, the operator of CREST (as defined in the CREST Regulations)
<b>FCA or Financial Conduct Authority</b>	the UK Financial Conduct Authority
<b>Form of Proxy</b>	the personalised proxy form accompanying this document, which is printed on pink paper
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended from time to time
<b>General Meeting</b>	the general meeting of the Company to be convened in connection with the Sale, notice of which accompanies this document, including any adjournment of it
<b>Group or RMG</b>	RMG PLC and its subsidiaries and subsidiary undertakings, and, where the context requires it, its associated undertakings from time to time
<b>Jefferies</b>	Jefferies International Limited
<b>ILC Business</b>	the Group's emerging markets equities business, currently carried on by RAM LLC
<b>Latest Practicable Date</b>	4 March 2022 (being the latest practicable date before the publication of this document)
<b>Listing Rules</b>	the listing rules made by the FCA under section 73A of FSMA (as amended from time to time)
<b>Note</b>	the secured interest-bearing promissory loan note to the Seller of \$6.0m issued on the Closing Date
<b>Notice of General Meeting</b>	the notice of General Meeting contained in Part 5 of this document
<b>Ordinary Shares</b>	the Ordinary Shares of £0.003 each in the share capital of the Company
<b>Purchase Agreement</b>	the membership interest purchase agreement dated 25 January 2022 between the Seller, the Buyer and the Buyer Principals setting out the terms and conditions of the Sale (as amended from time to time), further details of which are set out in Part 2 (Principal Terms and Conditions of the Sale) of this document, but excluding the exhibits thereto
<b>RAMIL</b>	River and Mercantile Investments Limited
<b>RAM LLC</b>	River and Mercantile LLC
<b>Related Party Managers</b>	Michael Faulkner, Ryan McGlothlin and Tom Cassara
<b>Return of Capital</b>	the proposed return of £190 million in cash by the Company to the Shareholders to be effected by way of the B Share Scheme
<b>Return of Capital Circular</b>	the circular from the Company to the Shareholders published on or around the date of this document in relation to the Return of Capital

<b>Sale Resolution</b>	the ordinary resolution to be proposed and considered at the General Meeting to approve the Sale, as set out in the Notice of General Meeting forming part of this document
<b>Scheme Circular</b>	the circular from the Company to the Shareholders relating to the Acquisition dated 8 March 2022
<b>Seller</b>	has the meaning given to it in paragraph 3 of Part 1 (Letter from the Chairman of River and Mercantile Group PLC) of this document
<b>Shareholder</b>	a holder of Ordinary Shares from time to time
<b>Sponsor</b>	Jefferies
<b>Sterling, £ or GBP</b>	the lawful tender for the time being and from time to time of the United Kingdom
<b>subsidiary</b>	has the meaning given in section 1159 of the Companies Act
<b>subsidiary undertaking</b>	has the meaning given in section 1162 of the Companies Act
<b>SRN</b>	Shareholder reference number
<b>UK or United Kingdom</b>	the United Kingdom of Great Britain and Northern Ireland
<b>UK Solutions</b>	the non-US Fiduciary Management, Advisory and Derivatives business formerly carried on by the Group
<b>UK Solutions Purchaser</b>	Schroder International Holdings Limited
<b>UK Solutions Sale</b>	the sale by the UK Solutions Seller of the entire issued share capital of RAMIL on the terms of the UK Solutions SPA
<b>UK Solutions Seller</b>	River and Mercantile Holdings Limited
<b>UK Solutions SPA</b>	the acquisition agreement dated 26 October 2021 between the UK Solutions Purchaser, the UK Solutions Seller and the Company in relation to the UK Solutions Sale (as amended from time to time)
<b>UK Solutions TSA</b>	the transactional services agreements entered into on 31 January 2022 between the UK Solutions Seller and RAMIL in respect of certain transitional services to be provided by the UK Solutions Seller following completion of the UK Solutions Sale

All references to legislation in this document are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension of it.

For the purpose of this document, “subsidiary” and “subsidiary undertaking” have the meanings given by the Companies Act.

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

## PART 5

### Notice of General Meeting

RIVER AND MERCANTILE

## River and Mercantile Group PLC

(Incorporated in England and Wales with registered number 04035248)

Notice is given that a general meeting of River and Mercantile Group PLC (the **Company**) will be held at One Bishops Square, London, E1 6AD on 1 April 2022 at 11.45 a.m. (or as soon thereafter as the previous general meeting of the Company has been concluded or adjourned) (UK time) (the **General Meeting**) to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

### Ordinary resolution

#### THAT

- (a) the proposed sale by the Company's subsidiary River and Mercantile US Holdings Limited of all the entire and outstanding membership interests of River and Mercantile LLC, as described in the circular to the Company's shareholders dated 8 March 2022, substantially on the terms as set out in the membership interest purchase agreement dated 25 January 2022 (the **Sale**), together with any other agreements and ancillary documents contemplated therein, be and are approved, with any changes as are permitted in accordance with resolution (b) below; and
- (b) the directors of the Company (the **Directors**) (or any duly authorised committee of the Directors) be and are authorised to do or procure to be done all such acts and things on behalf of the Company and any of its subsidiaries as the Directors (or any duly authorised committee of the Directors) consider necessary, expedient or desirable in connection with, and to implement, the Sale and to agree such modifications, variations, revisions, waivers, extensions, additions or amendments (not being modifications, variations, revisions, waivers, extensions, additions or amendments of a material nature) as the Directors (or any duly authorised committee of the Directors) may in their absolute discretion deem necessary, expedient or desirable in connection with the Sale.

By order of the Board

**Sally Buckmaster**

Company Secretary

Date: 8 March 2022

Registered office: 30 Coleman Street, London, England, EC2R 5AL

## Notes:

### *Regulation 41 of the Uncertified Securities Regulations 2001 (as amended)*

1. In order to have the right to attend and vote at the meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be registered on the register of members of the Company as at 6.30 p.m. (UK time) on 30 March 2022 or, if the meeting is adjourned, on the Company's register of members by 6.30 p.m. (UK time) two days before the adjourned meeting. Changes to entries on the register of members after 6.30 p.m. (UK time) on 30 March 2022 or, if the meeting is adjourned by 6.30 p.m. (UK time) two days before the adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting.

### *Covid-19 guidance*

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

### *Shareholder questions*

3. The Board is keen to maintain engagement with shareholders. In order to facilitate this, the Company is proposing to allow shareholders the opportunity to raise questions relating to the business proposed to be conducted at the meeting. Appropriate questions relating to the business of the meeting should be emailed to [Sally.Buckmaster@riverandmercantile.com](mailto:Sally.Buckmaster@riverandmercantile.com). You will be able to email questions until 5.30 p.m. (UK time) on 28 March 2022. Please include your SRN in any correspondence. You will be asked to supply your SRN for verification.
4. The Company will answer questions relating to the business being dealt with at the meeting but, for the avoidance of doubt, no such answer need be given if: (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

### *Appointment of proxies*

5. A shareholder who is entitled to attend and vote at the meeting is entitled to appoint one or more proxies to exercise all or any of his/her rights to attend, speak and vote on his/her behalf. Such a proxy need not also be a shareholder of the Company, but must attend the meeting in person for the shareholder's vote to be counted. If a shareholder appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the shareholder.
6. To be valid, a Form of Proxy must be completed and any power of attorney or other authority under which it is executed (or a duly certified copy thereof) must be received by post or by hand (during normal business hours only) by Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, in each case no later than 11.45 a.m. on 30 March 2022 (or 48 hours before the time appointed for any adjourned meeting at which it is to be used). The Form of Proxy for the General Meeting to approve the Sale Resolution is printed on pink paper. Completion and return of a Form of Proxy or any CREST proxy instruction will not preclude a shareholder subsequently from personally attending and voting at the meeting (in substitution for their proxy vote) if the shareholder decides to do so.
7. The Form of Proxy must be executed by or on behalf of the shareholder making the appointment. A corporation may execute the Form of Proxy either under its common seal or under hand of a duly authorised officer. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand on the Register of Members in respect of the relevant joint holdings.

### *CREST voting*

8. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service, may do so by using the procedures described in the CREST Manual (available by logging in at [www.euroclear.com](http://www.euroclear.com)). In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) not later than 11.45 a.m. (UK time) on 30 March 2022.
9. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
10. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
11. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

### *Corporate representatives*

12. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

### *Nominated persons*

13. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a **Nominated Person**) may have a right, under an agreement between him/her and the shareholder by whom he/she was nominated, to be appointed or to have someone else appointed as a proxy for the meeting. If a Nominated Person does not have such a right or does not wish to exercise it, he/she may have a right under any such agreement to give instructions to the shareholder as to the exercise of voting rights. The statement of the above rights of the members in relation to the appointment of proxies does not apply to Nominated Persons. Those rights can only be exercised by members of the Company.

### *Voting rights*

14. The total number of ordinary shares of £0.003 in issue as at the Latest Practicable Date was 85,453,634 ordinary shares. Each ordinary share carries one vote and therefore the total voting rights in the Company as at that date are 85,453,634.

*Website*

15. A copy of this notice and other information required by section 311A of the Companies Act can be found at <https://riverandmercantile.com/>.

*Inspection of documents*

16. The documents listed in paragraph 15 of Part 6 (Additional Information) of the Circular will be available for inspection at: (i) the offices of Allen & Overy LLP at One Bishops Square, London E1 6AD; and (ii) the Company's registered office address at 30 Coleman Street, London, United Kingdom, EC2R 5AL, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) and (with the exception of the Purchase Agreement) on the Company's website (<https://riverandmercantile.com/>) where Shareholders can follow instructions on how to access such documents, from the date of this notice until the day of the General Meeting.

