

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 green 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.

RIVER AND MERCANTILE

River and Mercantile Group PLC

(Incorporated in England and Wales with registered number 04035248)

Proposed Return of Cash to Shareholders by way of a B Share Scheme

**Circular to Shareholders
and
Notice of General Meeting**

This Circular should be read as a whole. Your attention is drawn to the letter from your Chairman which is set out in Part I of this Circular and which contains the recommendation of the Independent RMG Directors that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below. The Resolutions will be voted on by taking a poll.

You should note that the B Share Scheme is conditional upon, among other things, the approval by the Shareholders of the Resolutions.

This Circular contains notice of a General Meeting of the Company to be held at Allen & Overy LLP, One Bishops Square, London E1 6AD at 11.30 a.m. on 1 April 2022. A green Form of Proxy for use in connection with the Resolutions to be proposed at the General Meeting is enclosed.

Whether or not you intend to be present at the meeting, you are asked to complete and return your green Form of Proxy in accordance with the instructions printed on it to the Company's 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 11.30 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).

No application will be made for any of the B Shares to be enabled in CREST or admitted to the Official List or to trading on the London Stock Exchange's main market for listed securities, nor will the B Shares be listed or admitted to trading on any other recognised investment exchange. The B Shares will not be transferable, save in the very limited circumstances set out in Article 3A.8 of Part III of this Circular.

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 financial adviser and broker and for no one else in connection with the B Share Scheme 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 B Share Scheme or any other matters referred to in this Circular.

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 Circular, 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 B Share Scheme, 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 Circular or any such statement.

This Circular does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security. This Circular does not constitute an invitation to participate in the B Share Scheme in or from any jurisdiction in or from which, or to or from whom, it is unlawful to make such offer under applicable securities laws or otherwise or where such offer would require a prospectus to be published. Neither this Circular, nor any other document issued in connection with the proposed return of cash to Shareholders, may be issued or distributed to any person except under circumstances which do not constitute an offer to the public under applicable securities laws. This document does not constitute a prospectus. The attention of Overseas Shareholders is drawn to paragraph 6 of Part II of this Circular.

No person has been authorised to give any information or make any representations other than those contained in this Circular and, if given or made, such information or representations must not be relied on as having been so authorised. The delivery of this Circular shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Circular or that the information in it is correct as at any subsequent time to its date.

The contents of this document are not to be construed as legal, business or tax advice. Each Shareholder should consult their own legal adviser, financial adviser or tax adviser for legal, financial or tax advice respectively.

PRESENTATION OF FINANCIAL INFORMATION

Percentages may have been rounded and accordingly may not add up to 100 per cent. Certain financial data has been rounded and, as a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data.

DEFINITIONS

Unless otherwise stipulated, capitalised terms have the meanings ascribed to them in the “Definitions” section of this Circular.

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 facts. 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 facts 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 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 B Share Scheme.

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Expected timetable of principal events

Event	Time / Date
Latest time and date for receipt of Forms of Proxy and CREST Proxy Instructions	11.30 a.m. on 30 March 2022
General Meeting	11.30 a.m. on 1 April 2022
Expected satisfaction of Acquisition FCA Condition, after which the Independent RMG Directors set the B Share Scheme Record Time and announce intention to implement B Share Scheme via Regulatory Information Service	Q2 2022 (A)
Latest time and date for transfers of Ordinary Shares to be accepted for registration prior to the B Share Scheme Record Time	6.00 p.m. on A+5 Business Days
B Share Scheme Record Time	6.00 p.m. on A+5 Business Days (T-1 Business Day)
Issue of B Shares based on holdings of Ordinary Shares at B Share Scheme Record Time	8.00 a.m. on the day that is one Business Day after the B Share Scheme Record Time (T)
Ordinary Shares start trading Ex-B Share entitlement	8.00 a.m. on T
Jefferies makes B Share Purchase Offer via Regulatory Information Service announcement	8.00 a.m. on the day that is two Business Days after the B Share Scheme Record Time (T+1 Business Day)
Purchase of all B Shares by Jefferies completed and Jefferies becomes beneficial owner of all B Shares	the day that is two Business Days after the B Share Scheme Record Time (T+1 Business Day)
Single B Share Dividend Date declared, dividend amount paid to Jefferies and B Shares automatically reclassified as C Shares	the day that is two Business Days after the B Share Scheme Record Time (T+1 Business Day)
Company repurchases and cancels C Shares	the day that is two Business Days after the B Share Scheme Record Time (T+1 business day)
Despatch of payments and CREST accounts credited in respect of proceeds from the sale of the B Shares following the B Share Purchase Offer	Expected to be 10 Business Days after the B Share Purchase Offer (T+11 business days)

Notes

- (1) If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement through a Regulatory Information Service.
- (2) References to time in this document are to London time.
- (3) The General Meeting shall commence at the time fixed or as soon thereafter as the Scheme General Meeting has been concluded or adjourned.
- (4) All events in the above timetable following the holding of the General Meeting are conditional on (amongst other things) the Resolutions being passed, Scheme Approvals being passed and the satisfaction or waiver (as the case may be) of the Acquisition FCA Condition. See Part II (Details of the B Share Scheme) of this document for further details. The timing of the events in the timetable are indicative only and will depend on, among other things, the timing of Scheme Approval and of the satisfaction or waiver of the Acquisition FCA Condition.
- (5) The B Share Scheme Record Time is required to be at least five Business Days after the announcement of the implementation of the B Share Scheme for settlement purposes.

Part I

RIVER AND MERCANTILE

Letter from the Chairman of River and Mercantile Group PLC

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

Independent RMG Directors:

Jonathan Dawson (Chairman)
Alex Hocter-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 Return of Cash to Shareholders by way of a B Share Scheme and Notice of General Meeting

1. Introduction

On 25 January 2022, the Company announced that it intended to return £190 million to Shareholders, subject to required regulatory and shareholder approvals, following the completion of the sale of its UK Solutions business. Following successful completion of that sale on 31 January 2022, the Company announced on 18 February 2022 its intention to implement that return of cash by way of a B share scheme (the **Return of Cash**).

I am now writing to you with full details of the Return of Cash and to seek your approval of the Resolutions required to be passed to implement it.

2. Background to and reasons for the Return of Cash by way of the B Share Scheme

The Solutions Sale

On 26 October 2021, the Company announced that it had entered into a contract with Schroders in relation to the acquisition by Schroders of RMG's UK Solutions business for an enterprise value of £230 million.

On 23 November 2021 the Company published the Solutions Sale Circular setting out to Shareholders further details of the Solutions Sale. In that Solutions Sale Circular, the Directors stated that it was proposed to return £180 million of the net cash proceeds expected to be received from the Solutions Sale to Shareholders, subject to required regulatory and shareholder approvals, via a tender offer or other means.

Shareholders approved the Solutions Sale at a general meeting of the Company on 13 December 2021 and the Solutions Sale completed 31 January 2022.

The consideration paid by Schroders to RMG on completion was approximately £237 million. This amount is subject to adjustment via a customary completion accounts process which is ongoing. However, based on the adjustments already made at completion for the estimated completion accounts, RMG does not currently expect a material adjustment to be made.

The Acquisition and the Return of Capital by way of the B Share Scheme

On 25 January 2022 in the Acquisition Announcement, the Company and Assetco jointly announced a recommended all-share acquisition of the Company by AssetCo to be implemented by a scheme of arrangement under Part 26 of the Companies Act 2006 (the **Acquisition**).

In the Acquisition Announcement the Company also announced that, in light of the Acquisition and following discussions with AssetCo, the Independent RMG Directors now intended to return £190 million to Shareholders (rather than the £180 million previously proposed) in conjunction with the Acquisition, by way of either a B share scheme or a tender offer and a tender offer special dividend. On 18 February 2022, the Company confirmed that the Return of Capital would be implemented by way of the B Share Scheme.

As set out in the Solutions Sale Circular, were it not for the Acquisition, the Directors would be minded to implement a return of capital via a tender offer. However, a tender offer would return a variable aggregate amount depending on elections of individual Shareholders. In light of the Acquisition and based on discussions with AssetCo, it is necessary to ensure that a certain aggregate amount is returned to the Shareholders and not a variable amount. The B Share Scheme structure achieves this.

The B Share Scheme structure also enables all Shareholders to participate equally in the Return of Cash in proportion to the size of their existing holdings in the Company while preserving the capital nature of the return for the majority of United Kingdom tax resident Shareholders.

B Share Scheme Conditions relating to the Acquisition

The Return of Cash is being implemented in conjunction with the Acquisition. Therefore, the Return of Cash is conditional on (amongst other things) the Scheme Approvals relating to the Acquisition being passed by Shareholders and the Acquisition FCA Condition being satisfied or waived.

As set out in Paragraph 2 of Part II (Details of the B Share Scheme), it is intended that, provided that in the opinion of the Independent RMG Directors, proceeding to implement the Return of Cash remains in the best interests of the Company and the Shareholders at that time, the Return of Cash will be implemented shortly after the Acquisition FCA Condition has been satisfied or waived and before the Sanction Hearing to sanction the Scheme and completion of the Acquisition.

The Scheme Circular has been despatched to the Shareholders today and the Court Meeting and the Scheme General Meeting which will consider the Scheme Approvals have been convened for 11.00 a.m. and 11.15 a.m. on 1 April 2022 (being the same date as the General Meeting). Further details about the Acquisition and Scheme are set out in the Scheme Circular.

See Paragraph 2 of Part II (Details of the B Share Scheme) for full details of the Conditions to the implementation of the B Share Scheme.

If any of the Conditions relating to the implementation of the B Share Scheme, including the Scheme Approvals relating to the Acquisition being passed by Shareholders and the Acquisition FCA Condition being satisfied or waived, are not satisfied, then the Return of Cash will not be implemented. In such case, the Directors will consider in light of the relevant circumstances at the time what action to take in relation to returning cash to the Shareholders out of the net proceeds of the Solutions Sale.

The B Share Scheme

The Return of Cash will be implemented by way of the B Share Scheme. The details and terms of the B Share Scheme are set out in Part II of this Circular.

The B Share Scheme will return £190 million to Shareholders. As set out in more detail in paragraph 1 of Part II (Details of the B Share Scheme), although the exact amount per Ordinary Share will depend on the number of Ordinary Shares in issue at the B Share Scheme Record Time, it is estimated that the price per share will not be less than 220 pence per Ordinary Share.

3. Martin Gilbert

Martin Gilbert is the Deputy Chairman of the Company and is also the Chairman of Assetco.

Given his position at Assetco and given that the Return of Cash is conditional on (amongst other things) the Scheme Approvals and that the Acquisition is conditional on (amongst other things) the completion of the Return of Cash, Martin Gilbert has recused himself from Board discussions and decisions relating to the Return of Cash.

4. Summary and Recommendation

The purpose of this document is to provide Shareholders with further information relating to the Return of Cash and the B Share Scheme, which is the method through which the Return of Cash will be implemented.

It is also to give notice of the General Meeting at which certain Resolutions will be considered and, if thought fit, passed to allow the B Share Scheme to proceed.

This document also explains why the Independent RMG Directors consider the Resolutions proposed to be in the best interests of the Company and the Shareholders as a whole.

The Independent RMG Directors unanimously recommend that Shareholders vote or procure votes in favour of the Resolutions to be proposed at the General Meeting, as each Independent RMG Director intends to do in respect of his or her own beneficial holdings.

Yours faithfully,

Jonathan Dawson
Chairman

Part II

Details of the B Share Scheme

1. B Share Scheme

The B Share Scheme is the way in which the Company proposes to effect the Return of Cash. This will involve the allotment and issue of B Shares to Shareholders and the subsequent purchase of the B Shares by Jefferies pursuant to the B Share Purchase Offer (described in paragraph 4 of this Part II).

The B Share Scheme will return £190 million to Shareholders. The exact amount to be returned per Ordinary Share pursuant to the B Share Scheme will depend on the number of Ordinary Shares in issue at the Record Time, as the number of B Shares to be issued will equal the number of Ordinary Shares in issue at the Record Time.

The Company had 85,453,634 Ordinary Shares in issue on the Latest Practicable Date. In addition, as set out in paragraph 7 of this Part II, the Company has granted options and awards under the Employee Share Plans over Ordinary Shares with varying vesting dates, and, in the case of the RMG SAYE Scheme, varying number of options depending on the level of saving. Where a participant under an Employee Share Plan is issued new Ordinary Shares on exercise of their option or award before the B Share Scheme Record Time, the number of Ordinary Shares in issue at the B Share Scheme Record Time will increase and the relevant participant, as holder of those new Ordinary Shares, will participate in the B Share Scheme in the same way as other Shareholders.

The exercise of such options and awards are subject to the terms of the relevant Employee Share Plan and at the discretion of the relevant participants. On the basis set out below, the Company has estimated that the total return of £190 million will result in a return of not less than 220 pence per Ordinary Share.

To calculate the estimated number of Ordinary Shares that could be in issue at the B Share Scheme Record Time, the Company has applied the following assumptions:

- a) all options and awards which are exercisable by the relevant participant prior to the anticipated B Share Scheme Record Time will be exercised in full;
- b) Ordinary Shares held by the RMG Employee Benefit Trust will be used to satisfy options and awards exercised prior to the completion of the Acquisition to the extent available in priority to the Company issuing new Ordinary Shares; and
- c) no Ordinary Shares will be issued by the Company prior to the B Share Scheme Record Time, other than to satisfy options or awards under the Employee Share Plans.

If any assumption is not correct, for example if certain participants do not exercise options or awards before the B Share Scheme Record Time, then the total number of Ordinary Shares in issue at the B Share Scheme Record Time will be lower than the number that could be and the B Share Scheme will produce a higher return per Ordinary Share (but not above 222.3 pence per Ordinary Share based on the current number of Ordinary Shares in issue).

As set out in paragraph 7 of Part II, any options or awards that have not been exercised at the B Share Scheme Record Time will be adjusted to take into account the impact of the B Share Scheme.

2. Conditions to the implementation of the B Share Scheme

The Return of Cash is being implemented through the B Share Scheme. The B Share Scheme is conditional upon the approval by Shareholders of Resolutions 1, 2 and 3 to be proposed at the General Meeting. Therefore if any of the Resolutions is not passed, the B Share Scheme will not be implemented.

As described in paragraph 2 of Part 1 of this document, the Return of Cash is being implemented in conjunction with the Acquisition. Therefore, each of the Resolutions is expressed to be conditional upon the Scheme Approvals being passed by Shareholders.

In addition, the Independent RMG Directors will only implement the B Share Scheme if they determine that each of the following conditions is satisfied:

- a) the satisfaction or waiver (as the case may be) of the Acquisition FCA Condition;
- b) the consent or deemed consent (by way of non-objection within a prescribed period) by the FCA to the allotment and issuance of B Shares under the B Share Scheme, as described in paragraph 3 of this Part II (the **FCA Issuance Consent**); and
- c) the Scheme not having lapsed under its terms and neither the Purchase Offer Deed nor the Option Agreement (as described in paragraph 5 of this Part II) having been terminated prior to the FCA Acquisition Condition being satisfied or waived;

(together, the **Conditions**).

Therefore, if the Scheme Approvals are not passed by Shareholders or any of the Conditions are not satisfied, the B Share Scheme will not be implemented, even if the Shareholders have approved the B Share Scheme via passing the Resolutions.

Further details about the Acquisition and Scheme (including in relation to the Scheme Approvals and the Acquisition FCA Condition) are set out in the Scheme Circular. The Scheme Circular has been despatched to the Shareholders today and the Court Meeting and the Scheme General Meeting which will consider the Scheme Approvals have been convened for 11.00 a.m. and 11.15 a.m. on 1 April 2022 (being the same date as the General Meeting).

Further details of the FCA Issuance Consent are set out in paragraph 3 of this Part II and further details of the Purchase Offer Deed and the Option Agreement are set out in paragraph 5 of this Part II.

It is intended that the B Share Scheme will be implemented shortly after the Acquisition FCA Condition has been satisfied or waived and before the Sanction Hearing to sanction the Scheme and completion of the Acquisition. Once the Acquisition FCA Condition is satisfied or waived, subject to the other Conditions being satisfied, the Independent RMG Directors will determine whether they consider that proceeding to implement the B Share Scheme remains in the best interests of the Company and the Shareholders. In such case they will set the B Share Scheme Record Time and then proceed to issue the B Shares as set out in paragraph 3 of this Part II.

However, if any of the Resolutions are not passed, the Scheme Approvals are not passed, any of the Conditions are not satisfied, or if the Independent RMG Directors consider that proceeding to implement the B Share Scheme no longer remains in the best interests of the Company and the Shareholders, then the Independent RMG Directors will consider in light of the relevant circumstances at the time what action to take in relation to returning capital to the Shareholders out of the net proceeds of the Solutions Sale and will make an appropriate announcement via a Regulatory Information Service.

3. Allotment and issue of B Shares and Additional Ordinary Shares

Allotment and issue of B Shares

As set out above, if the Conditions are satisfied and the Independent RMG Directors determine to implement the Return of Cash effected via the B Share Scheme, they will resolve to set the B Share Scheme Record Time and will announce the implementation of the B Share Scheme, including the final timetable, through an announcement issued via a Regulatory Information Service. The B Share Scheme Record Time is anticipated to occur at least five Business Days following this announcement.

On implementation of the B Share Scheme each Shareholder will receive one B Share for each Ordinary Share held at the B Share Scheme Record Time. The rights and restrictions attached to the B Shares are set out in Part III of this Circular.

It is proposed that the Company will capitalise a sum of not more than £900 standing to the credit of the Company's share premium account in order to pay up in full the B Shares with a nominal value of 0.001 pence each.

The exact number of B Shares to be issued will be equal to the number of Ordinary Shares in issue at the B Share Scheme Record Time (excluding any held in treasury by the Company). As at close of business on the Latest Practicable Date there were 85,453,634 Ordinary Shares in issue and the Company does not, as at close of business on the Latest Practicable Date, hold any shares in treasury.

The B Shares will not be enabled in CREST or admitted to listing on the Official List or admitted to trading on the London Stock Exchange's main market for listed securities, nor will they be listed or admitted to trading on any other recognised investment exchange. Given the rights of the B Shares, the B Shares are not "equity shares" as such term is defined in the Listing Rules. The B Shares will not be transferable, save in the limited circumstances set out in Article 3A.8 as described in Part III of this Circular.

No share certificates will be issued in respect of the B Shares, nor will the B Shares be issued in CREST.

The Return of Cash to be implemented by the B Share Scheme is separate from and will not affect the Company's dividend policy. Any future interim or final dividends declared by the Company will be in addition to the B Share Scheme. However, Shareholders should note that, as disclosed in the Scheme Circular, if the Acquisition proceeds then the Independent RMG Directors do not currently propose to declare or pay any further interim or final dividends.

FCA Issuance Consent

As set out above, the allotment and issuance of the B Shares will involve the capitalisation of a sum of not more than £900 standing to the credit of the Company's share premium account in order to pay up in full the B Shares with a nominal value of 0.001 pence each. The reduction in the Company's share premium account (being related to its common equity tier 1 (**CET1**) capital) requires the FCA's consent or deemed consent under the FCA's MIFIDPRU rules prior to issuing the B Shares.

Therefore, the Company has applied for the FCA Issuance Consent. As described in paragraph 1 above, receiving this consent is one of the Conditions to the implementation of the B Share Scheme.

Separately but at or around the same time as the issuance of the B Shares, the Company currently intends to issue a small number of Ordinary Shares to Jefferies at or around market value, with a total subscription price (which is expected to be less than £1,000 in aggregate) equal to or more than the aggregate amount capitalised from its share premium account to pay up the B Shares (the **Additional Ordinary Shares**). This will ensure that the issuance of the B Shares has no net impact on the Company's total aggregate CET1 capital. The issue of the Additional Ordinary Shares will be made pursuant to the Company's existing shareholder authority to allot shares and disapplication of pre-emption rights taken at the last annual general meeting.

Following the issuance of the Additional Ordinary Shares, Jefferies will be free to transfer these Additional Ordinary Shares in accordance with the rights attaching to Ordinary Shares.

For the avoidance of doubt, the Additional Ordinary Shares shall be issued after the B Share Scheme Record Time and so shall not give rise to any right to Jefferies or any subsequent holder of the Additional Ordinary Shares to receive any B Shares.

The Additional Ordinary Shares will be treated as Scheme Shares for the purposes of the Scheme and the Acquisition.

4. Terms of the B Share Purchase Offer

On and subject to the terms set out in this Circular, it is expected that Jefferies (acting as principal, and not as agent, nominee or trustee for the Company) shall make the B Share Purchase Offer to purchase all of the B Shares for an aggregate amount of £190 million, free of all expenses and commissions.

As described in paragraph 1 above, the amount payable per B Share will depend on the number of Ordinary Shares in issue at the B Share Scheme Record Time and so the number of B Shares issued.

Once Shareholders have approved the B Share Scheme as described in this Circular by the passing of the Resolutions, under the amendments made to the Company's articles of association which shall become effective from immediately prior to the issuance of the B Shares (the **Amended Articles**) each of the Independent RMG Directors and the Company Secretary will be authorised on behalf of each Shareholder to do all acts and things which they consider necessary or desirable to accept the B Share Purchase Offer. No individual Shareholder will be able to accept or reject the B Share Purchase Offer with respect to the B Shares that such Shareholder has received pursuant to the B Share Scheme.

The following terms will apply to the B Share Purchase Offer:

- (A) no contract between a Shareholder and Jefferies will arise in relation to the sale and purchase of any B Shares, or under which Jefferies may (subject to conditions or otherwise) become entitled or obliged to purchase any B Shares under the B Share Purchase Offer, unless and until Jefferies (acting as principal, and not as agent, nominee or trustee for the Company) makes the B Share Purchase Offer, which is expected to be by way of an announcement through a Regulatory Information Service on the next business day after the issuance of the B Shares, on which date any of the Independent RMG Directors or the Company Secretary shall accept the B Share Purchase Offer on behalf of the Shareholders. Under the Amended Articles, each of the Independent RMG Directors and the Company Secretary is authorised on behalf of each Shareholder to execute all documents and/or deeds and do all acts and things in the name of each holder of B Shares or otherwise on behalf of each such holder of B Shares which such director or secretary shall in their absolute discretion consider necessary or desirable to accept the B Share Purchase Offer. The obligation of Jefferies to make the B Share Purchase Offer is conditional upon the satisfaction, or waiver by Jefferies, of a number of conditions which are summarised in paragraph 5 of this Part II. In addition, under the terms of the Purchase Offer Deed, Jefferies shall only be obliged to make the B Share Purchase Offer if the Company serves written notice on Jefferies by 6.00 p.m. on the next Business Day after the day on which the B Shares are issued (or such other time and/or dates as Jefferies and the Company may agree in writing);
- (B) the B Share Purchase Offer can only be accepted by all of the Shareholders and not some Shareholders only and acceptance by any of the Independent RMG Directors or the Company Secretary on behalf of all Shareholders may be effected by a single instrument;
- (C) acceptance of the B Share Purchase Offer by any of the Independent RMG Directors or the Company Secretary on behalf of a Shareholder will irrevocably authorise the Company, or any officer or employee of the Company for the time being, or Jefferies, or any director of Jefferies for the time being, on that Shareholder's behalf and in his, her or its name, to exercise all rights, powers and privileges attached to the B Shares or otherwise capable of being exercised by that Shareholder in respect of the B Shares to give effect to the B Share Scheme and to do all acts and things and to execute all such deeds, transfers and other documents as such person shall consider necessary to give effect to the same;
- (D) acceptance of the B Share Purchase Offer by any of the Independent RMG Directors or the Company Secretary on behalf of a Shareholder and all contracts and matters (whether contractual or non-contractual) resulting therefrom will be governed by and construed in accordance with English law. Acceptance of the B Share Purchase Offer by any of the Independent RMG Directors or the Company Secretary on behalf of a Shareholder constitutes that Shareholder's submission, in relation to all matters arising out of or in connection with such acceptance and the exercise of the powers of attorney or agent appointed thereunder, to the exclusive jurisdiction of the English courts;
- (E) upon acceptance of the B Share Purchase Offer by any of the Independent RMG Directors or the Company Secretary on behalf of a Shareholder, the Shareholder represents and warrants that he, she or it has full power and authority to tender, sell, assign and transfer his, her or its holding of B Shares and that Jefferies will acquire such B Shares free and clear from all liens, charges, restrictions, claims, equitable interests and encumbrances and together with all rights attaching thereto. In addition, by the acceptance of the B Share Purchase Offer by the Independent RMG Directors or the Company Secretary on behalf of a Shareholder, the Shareholder: (i) agrees that he, she or it will do all other things and execute any additional documents and/or deeds which may be necessary or, in the opinion of Jefferies, desirable to effect the purchase of such B Shares by Jefferies; (ii) any of the Independent RMG Directors or the Company Secretary is authorised on behalf of such Shareholder to do all such acts and things and execute all such documents and/or deeds in such Shareholder's name and (iii) acknowledges that none of Jefferies, any of the Independent RMG Directors nor the Company Secretary shall have any liability whatsoever to such Shareholder in respect of acts done or omitted to be done by it on behalf of such Shareholder in connection with the acceptance of the B Share Purchase Offer by the Independent RMG Directors or the Company Secretary on behalf of that Shareholder (save in the case of fraud or other liability that may not be excluded by law);

- (F) each Shareholder irrevocably represents, warrants, undertakes and agrees to and with the Company and Jefferies that such Shareholder has observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due from such Shareholder in any territory in connection with the acceptance of the B Share Purchase Offer by any of the Independent RMG Directors or the Company Secretary on behalf of that Shareholder (or any transaction resulting therefrom) and such Shareholder has not taken or omitted to take any action which may result in the Company, Jefferies, any of the Independent RMG Directors, the Company Secretary or any other person acting in breach of the legal or regulatory requirements of any territory in connection with the B Share Scheme or the acceptance of the B Share Purchase Offer by any the Independent RMG Directors or the Company Secretary on behalf of that Shareholder (or any transaction resulting therefrom);
- (G) no authority conferred or agreed to by the acceptance of the B Share Purchase Offer by any of the Independent RMG Directors or the Company Secretary on behalf of a Shareholder shall be affected by, and all such authority shall survive, the death or incapacity of that Shareholder. All obligations of such Shareholder shall be binding upon the heirs, personal representatives, successors and assigns of such Shareholder;
- (H) by the acceptance of the B Share Purchase Offer by any of the Independent RMG Directors or the Company Secretary on behalf of a Shareholder, the Shareholder agrees and undertakes that any Single B Share Dividend shall be payable to Jefferies as beneficial owner of the relevant B Share(s);
- (I) by the acceptance of the B Share Purchase Offer by any of the Independent RMG Directors or the Company Secretary on behalf of a Shareholder, the Shareholder agrees and undertakes that any transfer, sale, assignment or other disposal of any B Share subject to the B Share Purchase Offer by or on behalf of such Shareholder shall be: (a) effected in accordance with the Amended Articles; and (b) on terms that each such B Share is transferred, sold, assigned or otherwise disposed of on and subject to the terms of the B Share Purchase Offer (including, for the avoidance of doubt, such Shareholder's grant of a power of attorney on the terms set out in paragraph (B) above);
- (J) Jefferies will pay the consideration for the B Share Purchase Offer to the Receiving Agent on behalf of Shareholders on the day of the B Share Purchase Offer having been accepted by any of the Independent RMG Directors or the Company Secretary on behalf of the Shareholders, or as soon as reasonably practicable thereafter. Each Shareholder has a right to receive such consideration from Jefferies and the Company has no liability in relation to the payment of the consideration;
- (K) Jefferies may assign to any member of the Jefferies Group or to the Company any covenants, representations and warranties in respect of the B Shares purchased or agreed to be purchased by it; and
- (L) the Company, each Independent RMG Director, the Company Secretary, each officer or employee of the Company for the time being and each director of Jefferies for the time being may enforce the above terms expressed in his, her or its favour under the Contracts (Rights of Third Parties) Act 1999.

Single B Share Dividend

The Single B Share Dividend is expected to be paid to Jefferies on the Single B Share Dividend Date pursuant to the undertaking provided by the Company under the Purchase Offer Deed described in paragraph 5 below. The aggregate amount of the Single B Share Dividend will be equal to the aggregate amount payable by Jefferies to purchase all the B Shares pursuant to the B Share Purchase Offer (which will be £190 million) plus the aggregate amount of stamp duty or SDRT arising on such purchases. On the Single B Share Dividend Date Jefferies will become entitled to the relevant amount in the escrow account established pursuant to the Escrow Agreement and payment of such amount will be made at Jefferies' direction via joint instructions from the Company and Jefferies to the Escrow Agent.

Each B Share purchased by Jefferies (acting as principal and not as agent, nominee or trustee for the Company) under the B Share Purchase Offer will, once the Single B Share Dividend has been paid on it, automatically be reclassified as a C Share. It is intended that the C Shares held by Jefferies following the B Share Purchase Offer will be acquired by the Company from Jefferies for the nominal value of the C Shares and shall then be immediately cancelled.

In the unlikely event that the Single B Share Dividend is not paid by the Company to Jefferies by 6.00 p.m. on the second Business Day after the B Share Purchase Completion, under the Option Agreement, (i) the Company has granted to Jefferies a put option which, on exercise, will oblige the Company to purchase from Jefferies the B Shares purchased by Jefferies pursuant to the B Share Purchase Offer and (ii) Jefferies has granted the Company a call option which, on exercise, will oblige Jefferies to sell to the Company the B Shares purchased by Jefferies pursuant to the B Share Purchase Offer, in each case subject to the Option Cap outlined in paragraph 5 below.

Details of the agreements relating to the B Share Purchase Offer are set out below.

Default Dividend

The B Share Purchase Offer is subject to certain conditions and, although it is expected that Jefferies will purchase the B Shares under the B Share Purchase Offer, there can be no guarantee that it will do so. In the unlikely event that the B Shares are not purchased by Jefferies by 6.00 p.m. on the next Business Day after issuance of the B Shares then (i) joint instructions shall be given from the Company and Jefferies to the Escrow Agent to release the relevant funds from the escrow account in accordance with the Escrow Agreement and pay them to the Company and (ii) it is expected that the Independent RMG Directors will set the record date for the Default Dividend and it will then be paid on each such B Share, but may also consider whether it is possible or in the interests of Shareholders to engage a different broker to purchase the B Shares, in which case the Company would seek Shareholders' approval to approve the new off-market purchase agreement prior to a new purchase offer being made. For the avoidance of doubt, each Shareholder will have no right to choose to decline the B Share Purchase Offer, and to receive the Default Dividend or the Single B Share Dividend, instead of the purchase price due to them under the B Share Purchase Offer.

A Default Dividend will be taxed, in the hands of United Kingdom tax resident Shareholders, in the same way as any other dividend income from the Company, rather than providing capital treatment.

Once the Default Dividend is paid on the Default Payment Date, the B Shares will be automatically reclassified as C Shares. The C Shares will carry extremely limited rights, as more fully described in Part VI of this Circular.

The Company may purchase all C Shares held by Shareholders following the payment of the Default Dividend at any time for the nominal value of the C Shares. Under the Amended Articles, each of the Independent RMG Directors and the Company Secretary is authorised on behalf of each Shareholder to execute all documents and/or deeds and do all acts and things in the name of each holder of C Shares or otherwise on behalf of each such holder of C Shares which such director or secretary shall in their absolute discretion consider necessary or desirable to accept the B Share Purchase Offer. It is expected that any of the Independent RMG Directors or the Company Secretary, acting on behalf of all Shareholders who hold C Shares at the relevant time, would therefore execute a transfer of all such C Shares to Jefferies for their nominal value and such C Shares would be acquired by the Company from Jefferies under the Option Agreement for the nominal value of the C Shares plus, if relevant, any stamp duty or SDRT incurred by Jefferies in the purchase of the C Shares from the Shareholders. The C Shares would then be cancelled. In view of the negligible amount of the aggregate consideration, Shareholders will not be entitled to have any part of this consideration paid to them.

No Share Consolidation

The Company does not plan to carry out a consolidation of its ordinary share capital as part of the Return of Cash. Therefore, following the completion of the B Share Purchase Offer and declaration of the Single B Share Dividend, or in the unlikely event that the B Share Purchase Offer is not completed by 6.00 p.m. on the next Business Day after the issuance of the B Shares, following the declaration of the Default Dividend, there will be a decrease in the value of the Company's net assets due to the Single B Share Dividend or the Default Dividend (as applicable). It is expected that this will result in a corresponding decrease in the market price of the Ordinary Shares.

Details of the agreements relating to the B Share Purchase Offer are set out below.

5. Agreements in relation to the B Share Purchase Offer

The following agreements have been entered into in relation to the B Share Purchase Offer:

Purchase Offer Deed

On or around 8 March 2022, the Company entered into the Purchase Offer Deed with Jefferies. Under the Purchase Offer Deed, Jefferies has agreed that, subject to the satisfaction of the Conditions and the B Shares being issued, it will, as principal (and not as agent, nominee or trustee for the Company), make an off-market offer to purchase the B Shares from Shareholders in accordance with this Circular. Under the Amended Articles, each of the Independent RMG Directors and the Company Secretary is authorised on behalf of each Shareholder to execute all documents and/or deeds and do all acts and things in the name of each holder of B Shares or otherwise on each such Shareholder's behalf which such Independent RMG Director or the Company Secretary shall in their absolute discretion consider necessary or desirable in order to accept the B Share Purchase Offer.

As such, once Shareholders have approved the steps to be taken by the Company and the Directors for the purposes of implementing the B Share Scheme by the passing of the Resolutions, subject to the satisfaction of all the Conditions and the B Shares being issued and the B Share Purchase Offer made, it is the Independent RMG Directors who will determine that the Shareholders will sell their B Shares to Jefferies pursuant to the B Share Purchase Offer, and no Shareholder will separately be able to take a decision to sell or not to sell the B Shares it receives.

The B Share Purchase Offer will be made in the manner and on the terms set out in this Circular and the Purchase Offer Deed. The obligation of Jefferies to make the B Share Purchase Offer is conditional upon the satisfaction, or waiver by Jefferies, of a number of conditions, including: (i) the Company confirming the warranties in the Purchase Offer Deed are true and accurate and not misleading at the date of the Purchase Offer Deed and immediately prior to the making of the B Share Purchase Offer; (ii) the passing of Resolutions 1, 2 and 3 without amendment other than as agreed between Jefferies and the Company; (iii) the execution by the Company of the Option Agreement; (iv) the execution by the Company and the Escrow Agent of, and their compliance with the terms of, the Escrow Agreement, including the payment by the Company into the escrow account(s) of an amount to be agreed between Jefferies and the Company; (v) the allotment and issue of the B Shares in accordance with this Circular; (vi) the Company having sufficient distributable reserves to pay the Single B Share Dividend and purchase the C Shares, and the Company having delivered to Companies House interim accounts prepared in accordance with the provisions of section 838 of the Act; and (vii) at all times from the date of the Purchase Offer Deed up to immediately prior to the making of the B Share Purchase Offer, the Company not having made any amendments or supplements to this Circular or the terms of the Purchase Offer (unless agreed with Jefferies) that would make the Purchase Offer unlawful or otherwise put Jefferies in breach of its obligations under the Purchase Offer Deed or which would otherwise have a material adverse effect on Jefferies' rights and obligations under the Purchase Offer Deed or the Option Agreement when taken as a whole.

The Purchase Offer Deed is also conditional upon Jefferies not having exercised any right to terminate the Purchase Offer Deed before making the B Share Purchase Offer. Such termination right is exercisable upon the occurrence of certain events, including: (i) material failure by the Company to comply with its obligations under the Purchase Offer Deed, the Option Agreement, the Escrow Agreement or this Circular; and (ii) material breach by the Company of the representations, warranties and/or undertakings given to Jefferies under the Option Agreement and/or the Purchase Offer Deed.

The Purchase Offer Deed includes an undertaking from the Company to declare the Single B Share Dividend within one Business Day of the B Share Purchase Offer being made by Jefferies, conditional on: (a) Jefferies not having terminated the Purchase Offer Deed; (b) the B Share Purchase Offer validly being made by Jefferies; and (c) the B Share Purchase Offer being accepted by an Independent RMG Director or the Company Secretary on behalf of all Shareholders.

Option Agreement

On or around 8 March 2022, the Company entered into the Option Agreement with Jefferies.

Under the Option Agreement, if the Single B Share Dividend has not been paid by the Company to Jefferies by 6.00 p.m. on the second Business Day after B Share Purchase Completion (and the B Shares not therefore having been automatically reclassified as C Shares), and conditional on B Share Purchase Completion having occurred, the Company has granted a put option to Jefferies which, on exercise, will oblige the Company to purchase from Jefferies the B Shares purchased by Jefferies

pursuant to the B Share Purchase Offer. The purchase price per B Share shall be (i) the aggregate of, £190 million plus an amount equal to any stamp duty or SDRT payable by Jefferies as a result of its purchase of the B Shares pursuant to the B Share Purchase Offer divided by (ii) the total number of B Shares purchased by Jefferies pursuant to the B Share Purchase Offer (the **Option Price**). The maximum amount payable by the Company to Jefferies shall always be equal to or less than to 24.99 per cent. of the Company's market capitalisation on the date of exercise of the option (the **Option Cap**) and so the number of B Shares to be purchased by the Company from Jefferies on exercise of the put option shall be capped accordingly at the Option Cap divided by the Option Price. Also under the Option Agreement, Jefferies has granted the Company a call option which, on exercise, will oblige Jefferies to sell to the Company the B Shares purchased by Jefferies pursuant to the B Share Purchase Offer at the Option Price, subject to the Option Cap but calculated on the day the call option is exercised. The number of B Shares to be purchased by the Company from Jefferies on exercise of the call option shall be capped accordingly.

It is currently expected that the put option and call option under the Option Agreement will not be exercised and that instead the Single B Share Dividend will be paid to Jefferies, following which each B Share purchased by Jefferies under the B Share Purchase Offer will be automatically reclassified as a C Share and then be purchased by the Company from Jefferies for the nominal value of the C Shares and then immediately cancelled as set out in the final paragraph of this sub-section.

In the event that B Share Purchase Completion does not occur by 6.00 p.m. on the next Business Day after the issuance of the B Shares and the Company instead pays the Default Dividend on the B Shares, Jefferies has undertaken under the Option Agreement to offer to purchase, which offer shall be capable of acceptance by any Independent RMG Director or the Company Secretary on behalf of the Shareholders, on such date(s) as may be specified by the Company and for the nominal value of the C Shares, all the C Shares not already held by it and then in issue into which B Shares have been automatically reclassified as a result of the Default Dividend being paid.

Under the Option Agreement Jefferies has also granted the Company a call option to purchase any C Shares which it holds, whether those C Shares are held as a result of the B Share Purchase Offer followed by payment of the Single B Share Dividend or as a result of the purchase of C Shares by Jefferies following payment by the Company of the Default Dividend as described in the preceding paragraph, and the Company has granted Jefferies a put option to sell such C Shares to the Company, in each case for the nominal value of such C Shares.

Escrow Agreement

The Company has also entered into the Escrow Agreement relating to the transfer of the amounts payable in respect of the Single B Share Dividend or the Option Price, as applicable.

6. Overseas Shareholders

Shareholders who are not resident in the United Kingdom or who are citizens, residents or nationals of other countries should consult their professional advisers to ascertain whether the issue, holding or disposal of the B Shares will be subject to any restrictions or require compliance with any formalities imposed by the laws or regulations of, or any body or authority located in, the jurisdiction in which they are resident or to which they are subject. In particular, it is the responsibility of any Overseas Shareholder to satisfy itself as to full observance of the laws of each relevant jurisdiction in connection with the B Share Scheme, including the obtaining of any government, exchange control or other consents which may be required, or the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties in such jurisdiction.

The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Neither this document nor any other document issued or to be issued by or on behalf of the Company in connection with the B Share Scheme constitutes an invitation, offer or other action on the part of the Company in any jurisdiction in which such invitation, offer or other action is unlawful.

7. Employee Share Plans

The Company has granted options and awards under the Employee Share Plans over Ordinary Shares with varying vesting dates and, with respect to options, at varying exercise prices. Participants under the Employee Share Plans are not the beneficial owners of Ordinary Shares under their options or awards (save where options are exercised or awards vest before the B Share Scheme Record Time)

and so will not participate in the B Share Scheme, other than in their separate capacity as Shareholders (if applicable). Where a participant under an Employee Share Plan acquires Ordinary Shares under their option or award before the B Share Scheme Record Time, the participant will participate in the B Share Scheme in the same way as other Shareholders.

The position under each of the Employee Share Plans is set out below.

River and Mercantile Group PLC Deferred Equity Plan

If there are any awards over Ordinary Shares outstanding under the River and Mercantile Group PLC Deferred Equity Plan as at the B Share Scheme Record Time, appropriate adjustments will be made to the outstanding awards in accordance with the terms of the plan to neutralise the effect of the B Share Scheme and ensure that the participant(s) are not disadvantaged by it. Details of the adjustments will be sent to the participants in due course.

RMG SAYE Scheme

Appropriate adjustments will be made to options outstanding under the RMG SAYE Scheme in accordance with its terms to neutralise the effect of the B Share Scheme and ensure that the participants are not disadvantaged by it. Details of the adjustments will be sent to the participants in due course.

River and Mercantile Value Transformation Plan

If there are any awards outstanding under the River and Mercantile Value Transformation Plan as at the B Share Scheme Record Time, appropriate adjustments will be made to the outstanding options in accordance with the terms of the plan to neutralise the effect of the B Share Scheme and ensure that the participant(s) are not disadvantaged by it. Details of the adjustments will be sent to the participant(s) in due course.

Dealings and despatch of documents

The B Shares will be issued by reference to holdings of Ordinary Shares on the Company's register of members as at the B Share Scheme Record Time.

No share certificates will be issued by the Company in respect of B Shares or C Shares and transfer of the B Shares and the C Shares will be restricted as set out in Part III and Part IV below.

It is expected that dealings and settlement within the CREST system of the Ordinary Shares under ISIN GB00BLZH7X42 will continue in the usual way during the course of the implementation B Share Scheme.

8. General Meeting

The General Meeting will be held at Allen & Overy LLP, One Bishops Square, London E1 6AD at 11.30 a.m. on 1 April 2022. A notice convening the General Meeting is set out at the end of this Circular.

Shareholders will find enclosed with this Circular a green Form of Proxy for use at the General Meeting. Shareholders holding shares in CREST may appoint a proxy through a CREST Proxy Instruction.

Further details on proxy appointments and the action to be taken are set out in the Notice of General Meeting at the end of this Circular.

9. Summary of the resolutions to be proposed at the General Meeting

Three resolutions will be proposed at the General Meeting. Resolution 1 will be proposed as a special resolution, the passing of which requires at least 75 per cent. of the votes cast (whether in person or by proxy) to be in favour. Resolutions 2 and 3 will be passed as ordinary resolutions, the passing of which requires a simple majority of votes cast to be in favour.

A summary of the resolutions is set out below:

*Resolution 1: To adopt the Amended Articles (**Resolution 1**)*

This resolution is conditional on the Scheme Approvals having been obtained. The Resolution proposes the adoption of the Amended Articles in order to implement the B Share Scheme. The Amended Articles will include the insertion into the Articles of Association of the rights and restrictions attaching to the B Shares, as set out in Part III of this Circular.

*Resolution 2: To approve the B Share Scheme (**Resolution 2**)*

This Resolution is conditional on the Scheme Approvals having been obtained, the satisfaction or waiver (as the case may be) of the Acquisition FCA Condition and the passing of Resolution 1. A summary of the paragraphs comprising the Resolution follows below.

- (A) This paragraph proposes to authorise the Independent RMG Directors to:
- a) capitalise a sum not exceeding £900, standing to the credit of the Company's share premium account, to pay up in full the B Shares;
 - b) allot and issue B Shares up to an aggregate nominal amount of £900, on the basis of one B Share for every one Ordinary Share (excluding any Ordinary Shares held by the Company in treasury) at the B Share Scheme Record Time. This authority granted to the Independent RMG Directors will expire at the end of the next annual general meeting of the Company or, if earlier, the close of business on 12 March 2023.

*Resolution 3: To approve the terms of the Option Agreement (**Resolution 3**)*

Resolution 3 is conditional upon the Scheme Approval having been obtained, the satisfaction or waiver (as the case may be) of the Acquisition FCA Condition, and the passing of Resolutions 1 and 2.

The Resolution proposes to approve the terms of the Option Agreement between Jefferies and the Company under which (i) the Company would be entitled to require Jefferies to sell to it all the C Shares previously transferred to Jefferies for consideration equal to the nominal value of such C Shares; and (ii) conditional on the Single B Share Dividend not having been paid by the Company to Jefferies by 6.00 p.m. on the second Business Day after B Share Purchase Completion (and the B Shares not therefore having been automatically reclassified as C Shares), Jefferies would be entitled to require the Company to purchase from Jefferies, and the Company would be entitled to require Jefferies to sell to the Company, those B Shares purchased by Jefferies (acting as principal and not as agent, nominee or trustee for the Company) from Shareholders under the B Share Purchase Offer at the Option Price. Such authority will expire at the conclusion of the next annual general meeting of the Company after the passing of Resolution 3 or, if earlier, the close of business on 12 March 2023.

Part III

Rights and Restrictions attached to the B Shares

The following sets out the rights of the B Shares and the restrictions to which they are subject. These are included in the Amended Articles proposed to be adopted at the General Meeting.

The following paragraphs will be inserted as a new Article 3A in the Amended Articles.

Please note that the defined terms in this Part III have been aligned with those in the Articles of Association and therefore defined terms used elsewhere in this Circular do not apply to this Part III.

3A Rights and Restrictions Attached to B Shares

3A.1 General

Notwithstanding Article 4, the non-cumulative irredeemable preference shares of 0.001 pence each in the capital of the Company (the **B Shares**) shall have the rights, and be subject to the restrictions, attaching to shares set out in these Articles save that in the event of a conflict between any provision in this Article 3A and any other provision in these Articles, the provisions in this Article 3A shall prevail.

3A.2 B Share Purchase Offer

On and subject to the terms set out in the circular sent by the Company to its shareholders on or around 8 March 2022, it is expected that Jefferies International Limited (or a subsidiary thereof) (**Jefferies**) shall make an offer to purchase the B Shares acting as principal (and not as agent, nominee or trustee for the Company) (the **B Share Purchase Offer**). Each of the Independent RMG Directors (being the Directors of the Company at the time of the B Share Purchase Offer, other than Martin Gilbert) and the Company Secretary is hereby authorised on behalf of each holder of those shares to execute all documents and/or deeds and do all acts and things in the name of each holder of B Shares or otherwise on each such holder's behalf which such Independent RMG Director or the Company Secretary shall in their absolute discretion consider necessary or desirable in order to accept the B Share Purchase Offer. No individual shareholder will be able to accept or reject the B Share Purchase Offer with respect to the B Shares that such shareholder has received pursuant to the B Share Scheme but shall be bound by the acceptance or rejection on his, her or its behalf by the relevant Independent RMG Director or the Company Secretary.

3A.3 Income

3A.3.1 Subject to the provisions of the Companies Acts and these Articles, out of the profits of the Company available for distribution, the Independent RMG Directors may resolve to pay a single dividend (the **Single B Share Dividend**) equal to the Single B Share Dividend Per Share Amount multiplied by the number of B Shares in issue. The **Single B Share Dividend Per Share Amount** shall be an amount equal to (i) the aggregate amount paid by Jefferies to purchase all the B Shares pursuant to the B Share Purchase Offer plus the aggregate amount of stamp duty or SDRT arising on such purchases divided by (ii) the number of B Shares originally issued by the Company that were the subject of the B Share Purchase Offer. Notwithstanding any provision to the contrary in these Articles (including Articles 128 and 129) other than Article 3A.3.2 below, the Single B Share Dividend shall be payable to holders of B Shares at such time as the Independent RMG Directors may in their absolute discretion determine (the **Dividend Time**).

3A.3.2 The Company's liability to pay the Single B Share Dividend to holder(s) of B Shares shall be discharged by the Company by a payment to each such holder, or at each such holder's direction, within one business day of the Dividend Time of an amount equal to the Single B Share Dividend Per Share Amount for each B Share held by that holder. If the B Share Purchase Offer has been made and accepted under Article 3A.2, then, notwithstanding any other provision in these Articles, the entire Single B Share Dividend shall be paid to Jefferies as beneficial owner of all the B Shares.

- 3A.3.3** Each B Share in respect of which the Single B Share Dividend is paid shall immediately thereupon (but without prejudice to the accrued right to receive such dividend) be reclassified as a C share of 0.001 pence in the capital of the Company having the rights and being subject to the restrictions described in Article 3B (a **C Share**).
- 3A.3.4** In the absence of fraud or wilful default, neither the Company nor any of the Independent RMG Directors or the Company Secretary, its officers or employees shall have any liability to any person for any loss or damage arising as a result of the determination of the Dividend Time in accordance with Article 3A.3.1 above or the timing of the B Share Purchase Offer.
- 3A.3.5** Subject to the provisions of the Statutes and these Articles, out of the profits of the Company available for distribution, the Independent RMG Directors may resolve to pay a single dividend of £190,000,000 in aggregate (the **Default Dividend**) notwithstanding any provision to the contrary in these Articles (including Articles 128 and 129) in place of the Single B Share Dividend, at such time and date as the Independent RMG Directors may in their absolute discretion determine (the **Default Dividend Time**) to holders of any B Shares:
- 3A.3.5.1** where the B Share Purchase Offer has not been completed by 6.00 p.m. on the date immediately prior to the Default Dividend Time; and
- 3A.3.5.2** who are registered on the Company's relevant register as holding such B Shares at the Default Dividend Time.
- 3A.3.6** The Company's liability to pay the Default Dividend to such holder of B Shares shall be discharged by the Company by a payment to such holder at the Default Dividend Time of an amount equal to the Default Dividend.
- 3A.3.7** Each B Share in respect of which the Default Dividend is paid shall immediately thereupon (but without prejudice to the accrued right to receive such dividend) be reclassified as a C Share.
- 3A.3.8** For the avoidance of doubt, the provisions of Articles 134-136 (Dividends) shall apply in respect of any and all Default Dividends payable on or in respect of any B Shares which remain unclaimed.
- 3A.3.9** In the absence of fraud, neither the Company nor any of the Independent RMG Directors or the Company Secretary, its officers or employees or agents shall have any liability to any person for any loss or damage arising as a result of the choice of the Default Dividend Time in connection with Article 3A.3.5 above.

3A.4 Capital

- 3A.4.1** Except as provided in Article 3A.6 below, on a return of capital on winding-up (excluding any intra-group reorganisation on a solvent basis), the holders of each B Share shall be entitled, in priority to any payment to the holders of every other class of share in the capital of the Company (except the B Shares) but *pari passu* with any payment to the holders of B Shares, to the aggregate of the amount of the nominal capital paid up or credited as paid up on such B Share and an amount of £190,000,000 in aggregate.
- 3A.4.2** On a winding-up, the holders of the B Shares shall not be entitled to any further right of participation in the profits or assets of the Company in excess of that specified in Article 3A.4.1 above. In the event that there is a winding-up to which Article 3A.4.1 applies and the amounts available for payment are insufficient to pay the amounts due on all the B Shares in full, the holders of the B Shares shall be entitled to their *pro rata* proportion of the amounts to which they would otherwise be entitled.
- 3A.4.3** The aggregate entitlement of each holder of B Shares on a winding-up in respect of all the B Shares held by him, her or it shall be rounded up to the nearest whole penny.
- 3A.4.4** The holders of the B Shares shall not be entitled to any further right of participation in the profits or assets of the Company in their capacity as holders of B Shares.

3A.5 Attendance and voting at general meetings

3A.5.1 The holders of the B Shares shall not be entitled, in their capacity as holders of such B Shares, to receive notice of any General Meeting nor to attend, speak or vote at any such General Meeting unless the business of the meeting includes the consideration of a resolution for the winding-up of the Company (excluding any intra-group reorganisation on a solvent basis), in which case the holders of the B Shares shall have the right to attend such meeting and shall be entitled to speak and vote only on any such resolution.

3A.5.2 If the holders of the B Shares are entitled to vote at a General Meeting of the Company in their capacity as holders of such B Shares, then, subject to any other provisions of these Articles, each holder thereof shall be entitled to vote at such meeting whether on a show of hands or on a poll as provided in the Companies Acts. For this purpose, where a proxy is given discretion as to how to vote on a show of hands, this shall be treated as an instruction by the relevant holder of B Shares to vote in the way in which the proxy elects to exercise that discretion.

3A.6 Class rights

3A.6.1 The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority or subsequent to the B Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the B Shares) shall be treated as being in accordance with the rights attaching to the B Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B Shares.

3A.6.2 A reduction by the Company of the capital paid up or credited as paid up on the B Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the B Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B Shares.

3A.7 Form

The B Shares shall not be listed or traded on any stock exchange nor shall any share certificates be issued in respect of such shares. The B Shares shall not be transferable except in accordance with Article 3A.8 below.

3A.8 Transfer

No B Share may be transferred, except to Jefferies (which transfer may be made directly to Jefferies or via any receiving agent appointed by the Company) in accordance with the terms of the B Share Purchase Offer or to the Company.

3A.9 Transmission of B Shares

Articles 45 to 48 shall not apply to the B Shares.

3A.10 Deletion of Article 3A when no B Shares in existence

Article 3A shall automatically come into force on the first issuance of one or more B Shares and remain in force until there are no longer any B Shares in existence (including as a result of all B Shares having been automatically reclassified as C Shares in accordance with this Article 3A), notwithstanding any provision in these Articles to the contrary. Thereafter Article 3A shall be, and shall be deemed to be, of no effect (save to the extent that the provisions of Article 3A are referred to in other Articles) and shall be deleted and replaced with the wording "Article 3A has been deleted", and the separate register for the holders of B Shares shall no longer be required to be maintained by the Company; but the validity of anything done under Article 3A before that date, and accrued rights in respect of the payment of dividends arising before that date, shall not otherwise be affected and any actions taken under Article 3A before that date shall be conclusive and not be open to challenge on any grounds whatsoever.

Part IV

Rights and Restrictions attached to the C Shares

The following sets out the rights of the C Shares and the restrictions to which they are subject. These are included in the Amended Articles proposed to be adopted at the General Meeting.

The following paragraphs will be inserted as a new Article 3B in the Amended Articles.

Please note that the defined terms in this Part IV have been aligned with those in the Articles of Association and therefore defined terms used elsewhere in this Circular do not apply to this Part IV.

3B Rights and Restrictions Attached to C Shares

3B.1 General

Notwithstanding Article 4, the C Shares (as defined in Article 3A.3 above) shall have the rights, and be subject to the restrictions, attaching to shares set out in these Articles save that in the event of a conflict between any provision in this Article 3B and any other provision in these Articles, the provisions in this Article 3B shall prevail.

3B.2 Income

The C Shares shall confer no right to participate in the profits of the Company.

3B.3 Capital

3B.3.1 On a return of capital on a winding-up (excluding any intra-group reorganisation on a solvent basis), there shall be paid to the holders of the C Shares the nominal capital paid up, or credited as paid up, on such C Shares after paying to the holders of the B Shares the amounts they are entitled to receive on a winding-up in accordance with their terms.

3B.3.2 The holders of the C Shares shall not be entitled to any further right of participation in the assets of the Company.

3B.4 Attendance and voting at general meetings

The holders of the C Shares shall not be entitled, in their capacity as holders of such shares, to receive notice of any General Meeting or to attend, speak or vote at any such meeting.

3B.5 Class rights

3B.5.1 The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority to the C Shares, and on such creation, allotment or issue any such further shares (whether or not ranking in any respect in priority to the C Shares) shall be treated as being in accordance with the rights attaching to the C Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the C Shares.

3B.5.2 The reduction by the Company of the capital paid up on the C Shares shall be in accordance with the rights attaching to the C Shares and shall not involve a variation of such rights for any purpose and the Company shall be authorised at any time to reduce its capital (in accordance with the Statutes) without obtaining the consent of the holders of the C Shares.

3B.6 Form

The C Shares shall not be listed or traded on any stock exchange nor shall any share certificates be issued in respect of such shares. The C Shares shall not be transferable except in accordance with Article 3B.8 below or with the written consent of the Independent RMG Directors.

3B.7 Transfer

3B.7.1 No C Share may be transferred, except to Jefferies (which transfer may be made via any receiving agent appointed by the Company) or to the Company.

3B.7.2 If any C Share is held by any person other than Jefferies then each of the Independent RMG Directors and the Company Secretary is hereby authorised on behalf of each holder of those C Shares to accept any offer from Jefferies to purchase such C Shares for their nominal value and to execute all documents and/or deeds and do all acts and things in the name of each holder of C Shares or otherwise on behalf of each such holder's behalf which such Independent RMG Director or Company Secretary shall in their absolute discretion consider necessary or desirable in order to accept such offer. No individual shareholder will be able to accept or reject such with respect to such C Shares but shall be bound by the acceptance or rejection on his, her or its behalf of the relevant Independent RMG Director or Company Secretary.

3B.7.3 The Company may at any time (and from time to time) (subject to the provisions of the Statutes) without obtaining the sanction of the holder or holders of the C Shares:

3B.7.3.1 execute on behalf of any holder of C Shares a transfer of all of the C Shares or any part thereof (and/or an agreement to transfer the same) to the Company or any person nominated by the Company, in any case for not more than the nominal value of the C Shares then being transferred, or appoint any person to do the same (subject as agreed between such person and the Company or Company nominee in writing); and

3B.7.3.2 cancel all or any of the C Shares purchased or acquired by the Company in accordance with the Statutes.

3B.8 Transmission of C Shares

Articles 45 to 48 shall not apply to the C Shares.

3B.9 Deletion of Article 3B when no C Shares in existence

Article 3B shall automatically come into force on the first conversion of a B Share into a C Share pursuant to Article 3A and shall remain in force until there are no longer any C Shares in existence, notwithstanding any provision in these Articles to the contrary. Thereafter Article 3B shall be, and shall be deemed to be, of no effect (save to the extent that the provisions of Article 3B are referred to in other Articles) and shall be deleted and replaced with the wording "Article 3B has been deleted", and the separate register for the holders of C Shares shall no longer be required to be maintained by the company; but the validity of anything done under Article 3B before that date shall not otherwise be affected and any actions taken under Article 3B before that date shall be conclusive and not be open to challenge on any grounds whatsoever.

Part V

United Kingdom Taxation

The following comments are intended only as a guide to United Kingdom tax law and what is understood to be HM Revenue & Customs practice current as at the date of this Circular; both of which are subject to change at any time (potentially with retrospective effect). They do not constitute, and should not be taken as, tax advice. They are not exhaustive and relate only to certain limited aspects of the United Kingdom tax treatment of the B Share Scheme. Other than paragraph 4 of this Part V, they are intended to apply only to Shareholders who: (i) are resident and, in the case of individuals, also domiciled in (and only in) the United Kingdom for United Kingdom tax purposes and to whom split-year treatment does not apply; and (ii) are and will be the direct absolute beneficial owners of their Ordinary Shares, B Shares and C Shares (and any dividends paid on them) and who hold, and will hold, them as investments other than under an individual savings account or pension arrangement (and not as securities to be realised in the course of a trade or which constitute carried interest).

The comments may not apply to certain Shareholders, such as dealers in securities, insurance companies and collective investment schemes, Shareholders who are exempt from tax and Shareholders who have (or are deemed to have) acquired their Ordinary Shares by virtue of an office or employment. Such persons may be subject to special rules.

The position may be different for future transactions and may alter between the date of this Circular and the implementation of the B Share Scheme.

Shareholders should always seek their own advice from an appropriate independent and authorised professional if they are in any doubt as to their tax position or are subject to tax in a jurisdiction other than the United Kingdom.

1. Issue of B Shares

The following comments apply for the purposes of CGT.

The issue of the B Shares should constitute a tax-free reorganisation of the share capital of the Company. Accordingly:

- (A) Shareholders receiving B Shares should not be treated as having made a disposal of all or any part of their holding of Ordinary Shares; and
- (B) a Shareholder's holding of B Shares should together be treated as the same asset as that Shareholder's holding of Ordinary Shares and as having been acquired at the same time, and for the same consideration, as the holding of Ordinary Shares.

To calculate the tax due on a subsequent disposal of all or part of a Shareholder's B Shares or Ordinary Shares, that Shareholder's CGT base cost in their holding of Ordinary Shares will need to be apportioned between the B Shares and the Ordinary Shares by reference to their respective values (which in the case of the Ordinary Shares will be their quoted price on the first day of trading after the issue of the B Shares).

The issue of the B Shares should not give rise to a liability to United Kingdom income tax (or corporation tax on income) in a Shareholder's hands.

2. B Share Purchase Offer

The sale of the B Shares by Shareholders to Jefferies pursuant to the B Share Purchase Offer should be treated as a disposal for the purposes of CGT. This may, subject to the relevant Shareholder's individual circumstances and any available exemption or relief, give rise to a chargeable gain (or allowable loss) for the purposes of CGT.

Any such gain or loss should be calculated by reference to the difference between (i) the sale proceeds received by the Shareholder and (ii) the part of the Shareholder's original base cost in their Ordinary Shares that is apportioned to the B Shares in the manner described under paragraph 1 above.

The amount of CGT, if any, payable by an individual Shareholder as a consequence of the sale of the B Shares will depend on their own personal tax position. No tax will be payable on any gain realised on the sale of the B Shares if the amount of the net chargeable gains realised by the

Shareholder, when aggregated with other gains realised by that Shareholder in the year of assessment (and after taking account of allowable losses), does not exceed the annual exempt amount (£12,300 for 2022/2023). Broadly, any gains in excess of this amount will be taxed at a rate of 10 per cent., or 20 per cent. for higher rate and additional rate taxpayers. Where the gains of a basic rate taxpayer subject to CGT exceed the unused part of their basic rate band, that excess is subject to tax at the 20 per cent. rate.

A corporate Shareholder is normally subject to corporation tax on all of its chargeable gains, subject to any available reliefs and exemptions.

The Finance Act 2015 includes legislation which applies where shareholders are given the choice to receive a capital payment in respect of shares rather than receiving a dividend of the same amount. Where the legislation applies, it treats the shareholder's receipt as an income distribution for tax purposes rather than as capital gain. Notwithstanding the arrangements in respect of the Default Dividend, the Company is of the view that this legislation does not apply to the B Share Scheme on the basis that it does not permit Shareholders any such choice, as the payment of the Default Dividend is outside the control of the Shareholders.

3. Default Dividend

In the very unlikely event that the B Shares are not purchased by Jefferies pursuant to the B Share Purchase Offer and as a result the Default Dividend becomes payable, the Default Dividend will be taxed as dividend income, in the same way as any other dividend paid by the Company.

For the avoidance of doubt, each Shareholder will have no right to choose to decline the B Share Purchase Offer, and to receive the Default Dividend or the Single B Share Dividend, instead of the purchase price due to them under the B Share Purchase Offer.

4. Transactions in securities

Under the provisions of Part 15 of the Corporation Tax Act 2010 (for companies subject to corporation tax) and Chapter 1 of Part 13 of the Income Tax Act 2007 (for individuals and others subject to income tax), HM Revenue & Customs can in certain circumstances counteract tax advantages arising in relation to a transaction or transactions in securities. If these provisions were to be applied by HM Revenue & Customs to the proposed Return of Cash, in broad terms, Shareholders might be liable to tax as if they had received an income rather than a capital amount.

Having consulted its professional advisers, the Company does not expect the above provisions to be applicable to individual or corporate Shareholders but no application for clearance has been made to HM Revenue & Customs in this regard. Any individual or corporate Shareholder which is in any doubt as to their tax position in the light of its own particular circumstances should take appropriate professional advice.

5. Stamp duty and SDRT

The following statements are intended as a general guide to the current stamp duty and SDRT position and apply regardless of whether or not a Shareholder is resident for tax purposes in the United Kingdom. It should be noted that certain categories of person, including market makers, brokers, dealers and other specified intermediaries, are entitled to exemption from stamp duty and SDRT in respect of certain securities in specified circumstances. The following statements do not apply in relation to the issue or transfer of B Shares or C Shares to an operator of a clearance service or depository receipt system (or to their nominees); such issues or transfers may be subject to special rules.

No stamp duty or SDRT will be payable on the issue of the B Shares.

No stamp duty or SDRT will be payable by Shareholders on, or as a result of, any reclassification of the B Shares into C Shares.

Subject to an exemption for certain low-value transfers, a purchaser of B Shares or C Shares held in certificated form will generally be liable to pay stamp duty on the transfer of such B Shares or C Shares at the rate of 0.5 per cent. of the amount or value of the consideration given (such duty to be rounded up to the nearest £5).

An agreement to transfer B Shares or C Shares will generally give rise to a liability on the purchaser to SDRT when the agreement becomes unconditional, at the rate of 0.5 per cent. of the amount or value of the consideration given, but will be cancelled (and any SDRT already paid will be refunded) if the agreement is completed by a duly stamped or exempt instrument of transfer within six years of the date of the agreement to transfer (or the date on which such agreement became unconditional).

A purchaser of B Shares or C Shares held within CREST will generally be liable to pay SDRT on the agreement to transfer such B Shares or C Shares at the rate of 0.5 per cent. of the amount or value of the consideration paid for such transfer. The SDRT should be collected through CREST and accounted to HM Revenue & Customs in accordance with the CREST rules.

As the B Shares are not listed, liability for stamp duty or SDRT is expected to arise on the purchase by Jefferies of the B Shares pursuant to the B Share Purchase Offer.

For the avoidance of doubt, neither a sale of B Shares under the B Share Purchase Offer nor any acquisition of C Shares by the Company will give rise to any liability to stamp duty or SDRT for the selling Shareholder. Any such liability will fall on Jefferies or the Company, not the selling Shareholder.

Part VI

Additional Information

1. Rights and restrictions attaching to the Ordinary Shares

The rights and restrictions attaching to the Ordinary Shares will not change as a result of the matters discussed in this Circular.

2. Form

Rights to B Shares and C Shares are not renounceable. The B Shares and C Shares will be issued in registered form and no share certificates shall be issued. The B Shares and C Shares will only be transferable to Jefferies or the Company as set out in Part III and Part IV above.

3. Consent

Jefferies has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and references to it in the form and context in which they appear.

4. Documents available for inspection

Copies of the following documents may be inspected at the registered office of the Company, River and Mercantile Group PLC, 30 Coleman Street, London, United Kingdom EC2R 5AL and/or at the offices of Allen & Overy LLP at One Bishops Square, London E1 6AD, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), up to and including the date of the General Meeting and will also be available for inspection at the General Meeting for at least 15 minutes before the General Meeting and until the General Meeting ends:

- (A) the Articles of Association of the Company in their current form;
- (B) the Amended Articles proposed to be adopted at the General Meeting, showing the amendments proposed to the Company's current Articles of Association;
- (C) the written consent referred to in paragraph 3 of this Part VI;
- (D) the Option Agreement; and
- (E) a copy of this Circular.

A copy of this Circular will be made available on the Company's website (<https://riverandmercantile.com/>) from the date of this document. For the avoidance of doubt, the contents of this website are not incorporated into and do not form part of this Circular.

Part VII

Definitions

The following definitions apply throughout this Circular, unless the context requires otherwise and excluding Part III and Part VI.

Acquisition Announcement	means the joint announcement of by the Company and AssetCo dated 25 January 2022 recommending an all-share acquisition of the Company by AssetCo to be implemented by a scheme of arrangement under Part 26 of the Companies Act 2006;
Acquisition FCA Condition	means the Condition set out at paragraph 3(e) of Part Three (<i>Conditions to and Certain Further Terms of the Scheme and the Acquisition</i>) of the Scheme Circular;
Act	means the Companies Act 2006;
Additional Ordinary Shares	means the Ordinary Shares which may be issued by the Company to Jefferies on or around the time of issuance of the B Shares under the B Share Scheme;
Amended Articles	means the amended articles of association of the Company to be proposed at the General Meeting and adopted with effect from immediately prior to the issuance of the B Shares;
Articles of Association	means the articles of association of the Company in their current form as of the date of this Circular;
AssetCo	means AssetCo plc;
AssetCo Concert Party	means AssetCo, Harwood Capital LLP, Toscafund Asset Management LLP, Cadoc Ltd and Mark Butcher, being AssetCo and those persons deemed by the Panel to be acting in concert with AssetCo who have an interest in the Ordinary Shares;
Board	means the board of Directors of the Company;
B Share Purchase Completion	means the completion of the sale and purchase of the B Shares by Jefferies from the Shareholders pursuant to the B Share Purchase Offer;
B Share Purchase Offer	means the off-market offer expected to be made by Jefferies, acting as principal (and not as agent, trustee or nominee for the Company), to purchase the B Shares from the Shareholders, the terms of which are set out in paragraph 4 of Part II of this Circular and which, under the Amended Articles, each of the Independent RMG Directors and the Company Secretary will be irrevocably authorised (on behalf of each Shareholder) to accept, such that no Shareholder will separately be able to accept or reject the B Share Purchase Offer in respect of the B Shares that it receives;
B Share Scheme	means the return of cash to be effected by way of the issuance of the B Shares and the B Share Purchase Offer;
B Share Scheme Record Time	means 6.00 p.m. on the date set out in the announcement of the intention to implement B Share Scheme via Regulatory Information Service (or such other time and date as the Independent RMG Directors may determine);
B Shares	means the non-cumulative irredeemable preference shares of 0.001 pence each in the capital of the Company carrying the rights and restrictions summarised in Part III of this Circular;
Business Day	means a day other than a Saturday or Sunday or public holiday in England and Wales on which banks are open in London for general commercial business;

CGT	means the United Kingdom taxation of capital gains and corporation tax on chargeable gains;
Circular	means this document;
Company or RMG	means River and Mercantile Group PLC, of 30 Coleman Street, London, EC2R 5AL, a company incorporated in England and Wales with registered number 02877315;
Company Secretary	means the company secretary of the Company;
Conditions	means the matters that need to be satisfied or waived to implement the B Share Scheme as set out in paragraph 2 of Part II of this Circular;
Court	means the High Court of Justice in England and Wales;
Court Meeting	means the meeting or meetings of Scheme Voting Shareholders (or any class or classes thereof) convened pursuant to an order of the Court pursuant to section 896 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without modification), including any adjournment, postponement or reconvention thereof;
CREST	means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in the CREST Regulations);
CREST Manual	means the CREST manual issued by Euroclear UK & Ireland Limited;
CREST member	means a person who has been admitted by Euroclear UK & Ireland Limited as a system-member (as defined in the CREST Regulations);
CREST Proxy Instruction	means the instruction whereby CREST members send a CREST message appointing a proxy for the General Meeting and instructing the proxy how to vote and containing the information set out in the CREST Manual;
CREST Regulations	means the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended;
C Shares	means the C Shares of 0.001 pence each in the capital of the Company carrying the rights and restrictions summarised in Part IV of this Circular;
Default Dividend	means the single dividend, expected to be £190 million in aggregate (or an amount per B Share equal to £190 million divided by the number of B Shares in issue), to be declared on the Default Dividend Date and paid to holders of the B Shares on the Default Payment Date, in the circumstances described in paragraph 4 of Part II of this Circular;
Default Dividend Date	means such date as the Independent RMG Directors may in their absolute discretion determine, being the date on which the Independent RMG Directors will declare the Default Dividend;
Default Payment Date	means such date as the Independent RMG Directors may in their absolute discretion determine being, in any event, a date within ten Business Days of the Default Dividend Date;
Directors	means the directors of the Company;
Employee Share Plans	means the River and Mercantile Group PLC Deferred Equity Plan, the River and Mercantile Value Transformation Plan and the RMG SAYE Scheme;
Escrow Agent	means Deutsche Bank AG, London Branch;
Escrow Agreement	means an agreement dated on or around 8 March 2022 between Jefferies, the Company and the Escrow Agent relating to the operation of certain escrow accounts;

Ordinary Shares	means ordinary shares of £0.003 each in the capital of the Company;
FCA	means the Financial Conduct Authority of the United Kingdom;
FCA Issuance Consent	means the consent or deemed consent (by way of non-objection within a prescribed period) by the FCA to the allotment and issuance of B Shares under the B Share Scheme;
Form of Proxy	means the Form of Proxy enclosed with this Circular, which is printed on green paper;
FSMA	means the Financial Services and Markets Act 2000, as amended from time to time;
General Meeting	means the general meeting of the Company to consider, and if thought fit, vote on the Resolutions to be held at 11.30 a.m. on 1 April 2022 at the offices of Allen & Overy LLP at One Bishops Square, London E1 6AD;
Group	means the Company and its subsidiaries (as defined in the Act);
Independent RMG Directors	means the Directors, other than Martin Gilbert;
ISIN	means International Securities Identification Number;
Jefferies	means Jefferies International Limited, a company incorporated in England and Wales with registered number 01978621 (or a wholly-owned subsidiary thereof);
Latest Practicable Date	means 4 March 2022, being the latest practicable date prior to the publication of this Circular;
Listing Rules	means the listing rules made by the FCA under section 73A of FSMA (as amended from time to time);
London Stock Exchange	means London Stock Exchange PLC;
MIFIDPRU	means the Prudential sourcebook for MiFID Investment Firms set out in the FCA Handbook;
Notice of General Meeting	means the notice of general meeting set out at pages 34 to 42 of this Circular;
Official List	means the official list maintained by the FCA;
Option Agreement	the agreement dated on or around 8 March 2022 between the Company and Jefferies, details of which are set out in paragraph 5 of Part II of this Circular;
Option Exercise Notice	means a written notice validly served under the Option Agreement in respect of the exercise of the put option or the call option under the Option Agreement;
Option Cap	means the cap on the Option Price in relation to the put option or the call option under the Option Agreement, being equal to 24.99 per cent. of the Company's market capitalisation on the date of exercise of such option;
Option Price	has the meaning given in paragraph 5 of Part III;
Overseas Shareholders	means Shareholders who are not resident in the United Kingdom or who are citizens, residents or nationals of a country other than the United Kingdom or who have a registered address which is not in the United Kingdom. For the avoidance of doubt, Shareholders who are not resident in the United Kingdom include Shareholders who are resident in the Channel Islands or the Isle of Man;
Panel	means the Panel on Takeovers and Mergers, or any successor to it;

Purchase Offer Deed	means the agreement dated on or around 8 March 2022 between the Company and Jefferies, details of which are set out in paragraph 5 of Part II of this Circular;
RAMIL	means River and Mercantile International Limited
Regulatory Information Service	means any service included in the definition of “regulatory information service” contained in Appendix 1 to the Listing Rules;
Resolutions	means the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting;
Return of Cash	means the transactions comprising the B Share Scheme which are proposed to return cash to Shareholders on the terms set out in this Circular;
Scheme Approvals	means the approval of the Scheme by Scheme Voting Shareholders at the Court Meeting, and the passing of the Scheme Resolutions by the Shareholders at the Scheme General Meeting;
Scheme Circular	means the circular from RMG to the Shareholders relating to the Acquisition dated on or around 8 March 2022;
Scheme General Meeting	the general meeting of the Company (or any adjournment of such meeting) to be convened in connection with the Scheme;
Scheme Sanction Hearing	means the hearing of the Court at which the Court Order will be sought;
Scheme or Scheme of Arrangement	means the proposed scheme of arrangement under Part 26 of the Companies Act between RMG and the Scheme Shareholders in connection with the Acquisition, with or subject to any modification, addition or condition which RMG and AssetCo may agree and, if required, approved or imposed by the Court;
Scheme Shareholders	means holders of Scheme Shares at any relevant date or time and a Scheme Shareholder shall mean any one of those Scheme Shareholders;
Scheme Shares	means all Ordinary Shares: <ul style="list-style-type: none"> (i) in issue at the date of this document; (ii) (if any) issued after the date of this document but before the Voting B Share Scheme Record Time; and (iii) (if any) issued at or after the Voting B Share Scheme Record Time and before the Scheme B Share Scheme Record Time on terms that the original or any subsequent holders thereof are bound by the Scheme or in respect of which such holders are, or shall have agreed in writing to be, so bound, in each case remaining in issue at the Scheme B Share Scheme Record Time, but excluding the Excluded Shares at any relevant date or time;
Scheme Voting Shareholders	means holders of Scheme Voting Shares;
Scheme Voting Shares	means the Scheme Shares other than any Scheme Shares beneficially owned or controlled by any member of the AssetCo Concert Party;
Schroders	means Schroder International Holdings Limited;
SDRT	means stamp duty reserve tax;
Shareholders	means holders of Ordinary Shares and, where the context so requires, holders of B Shares and/or C Shares;
Single B Share Dividend	has the meaning given in paragraph 3A.3.1 of Part III of this Circular;

Single B Share Dividend Date	means the date as the Independent RMG Directors may in their absolute discretion determine, being the date on which the Independent RMG Directors will declare the Single B Share Dividend;
Solutions Sale	means the sale by the Solutions Seller to Schrodgers of the entire issued share capital of RAMIL on the terms of the Solutions SPA;
Solutions Sale Circular	means the circular from RMG to RMG Shareholders dated 23 November 2021 in relation to the Solutions Sale;
Solutions Seller	means River and Mercantile Holdings Limited;
Solutions SPA	means the acquisition agreement dated 26 October 2021 between Schrodgers, RMHL and the Company in relation to the Solutions Sale (as amended from time to time);
Takeover Code	means the City Code on Takeovers and Mergers from time to time issued, amended and interpreted by the Panel;

Part VIII

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 Allen & Overy LLP, One Bishops Square, London E1 6AD on 1 April 2022 at 11.30 a.m. (UK time) (or as soon thereafter as the previous general meeting of the Company has been concluded or adjourned) (the **General Meeting**) to consider and, if thought fit, pass the following resolutions. Resolution 1 will be proposed as a special resolution. Resolutions 2 and 3 will be proposed as ordinary resolutions.

THAT

Resolution 1 – Amendment of Articles of Association

THAT, with effect from the passing of this resolution, the articles of association of the Company be and are amended by the adoption and inclusion of the following new articles 3A and 3B:

3A Rights and Restrictions Attached to B Shares

3A.1 General

Notwithstanding Article 4, the non-cumulative irredeemable preference shares of 0.001 pence each in the capital of the Company (the **B Shares**) shall have the rights, and be subject to the restrictions, attaching to shares set out in these Articles save that in the event of a conflict between any provision in this Article 3A and any other provision in these Articles, the provisions in this Article 3A shall prevail.

3A.2 B Share Purchase Offer

On and subject to the terms set out in the circular sent by the Company to its shareholders on or around 8 March 2022, it is expected that Jefferies International Limited (or a subsidiary thereof) (**Jefferies**) shall make an offer to purchase the B Shares acting as principal (and not as agent, nominee or trustee for the Company) (the **B Share Purchase Offer**). Each of the Independent RMG Directors (being the Directors of the Company at the time of the B Share Purchase Offer, other than Martin Gilbert) and the Company Secretary is hereby authorised on behalf of each holder of those shares to execute all documents and/or deeds and do all acts and things in the name of each holder of B Shares or otherwise on each such holder's behalf which such Independent RMG Director or the Company Secretary shall in their absolute discretion consider necessary or desirable in order to accept the B Share Purchase Offer. No individual shareholder will be able to accept or reject the B Share Purchase Offer with respect to the B Shares that such shareholder has received pursuant to the B Share Scheme but shall be bound by the acceptance or rejection on his, her or its behalf by the relevant Independent RMG Director or the Company Secretary.

3A.3 Income

3A.3.1 Subject to the provisions of the Companies Acts and these Articles, out of the profits of the Company available for distribution, the Independent RMG Directors may resolve to pay a single dividend (the **Single B Share Dividend**) equal to the Single B Share Dividend Per Share Amount multiplied by the number of B Shares in issue. The **Single B Share Dividend Per Share Amount** shall be an amount equal to (i) the aggregate amount paid by Jefferies to purchase all the B Shares pursuant to the B Share Purchase Offer plus the aggregate amount of stamp duty or SDRT arising on such purchases divided by (ii) the number of B Shares originally issued by the Company that were the

subject of the B Share Purchase Offer. Notwithstanding any provision to the contrary in these Articles (including Articles 128 and 129) other than Article 3A.3.2 below, the Single B Share Dividend shall be payable to holders of B Shares at such time as the Independent RMG Directors may in their absolute discretion determine (the **Dividend Time**).

- 3A.3.2** The Company's liability to pay the Single B Share Dividend to holder(s) of B Shares shall be discharged by the Company by a payment to each such holder, or at each such holder's direction, within one business day of the Dividend Time of an amount equal to the Single B Share Dividend Per Share Amount for each B Share held by that holder. If the B Share Purchase Offer has been made and accepted under Article 3A.2, then, notwithstanding any other provision in these Articles, the entire Single B Share Dividend shall be paid to Jefferies as beneficial owner of all the B Shares.
- 3A.3.3** Each B Share in respect of which the Single B Share Dividend is paid shall immediately thereupon (but without prejudice to the accrued right to receive such dividend) be reclassified as a C share of 0.001 pence in the capital of the Company having the rights and being subject to the restrictions described in Article 3B (a **C Share**).
- 3A.3.4** In the absence of fraud or wilful default, neither the Company nor any of the Independent RMG Directors or the Company Secretary, its officers or employees shall have any liability to any person for any loss or damage arising as a result of the determination of the Dividend Time in accordance with Article 3A.3.1 above or the timing of the B Share Purchase Offer.
- 3A.3.5** Subject to the provisions of the Statutes and these Articles, out of the profits of the Company available for distribution, the Independent RMG Directors may resolve to pay a single dividend of £190,000,000 in aggregate (the **Default Dividend**) notwithstanding any provision to the contrary in these Articles (including Articles 128 and 129) in place of the Single B Share Dividend, at such time and date as the Independent RMG Directors may in their absolute discretion determine (the **Default Dividend Time**) to holders of any B Shares:
- 3A.3.5.1** where the B Share Purchase Offer has not been completed by 6.00 p.m. on the date immediately prior to the Default Dividend Time; and
- 3A.3.5.2** who are registered on the Company's relevant register as holding such B Shares at the Default Dividend Time.
- 3A.3.6** The Company's liability to pay the Default Dividend to such holder of B Shares shall be discharged by the Company by a payment to such holder at the Default Dividend Time of an amount equal to the Default Dividend.
- 3A.3.7** Each B Share in respect of which the Default Dividend is paid shall immediately thereupon (but without prejudice to the accrued right to receive such dividend) be reclassified as a C Share.
- 3A.3.8** For the avoidance of doubt, the provisions of Articles 134-136 (Dividends) shall apply in respect of any and all Default Dividends payable on or in respect of any B Shares which remain unclaimed.
- 3A.3.9** In the absence of fraud, neither the Company nor any of the Independent RMG Directors or the Company Secretary, its officers or employees or agents shall have any liability to any person for any loss or damage arising as a result of the choice of the Default Dividend Time in connection with Article 3A.3.5 above.

3A.4 Capital

- 3A.4.1** Except as provided in Article 3A.6 above, on a return of capital on winding-up (excluding any intra-group reorganisation on a solvent basis), the holders of each B Share shall be entitled, in priority to any payment to the holders of every other class of share in the capital of the Company (except the B Shares) but *pari passu* with any payment to the holders of B Shares, to the aggregate of the amount of the nominal capital paid up or credited as paid up on such B Share and an amount of £190,000,000 in aggregate.

- 3A.4.2** On a winding-up, the holders of the B Shares shall not be entitled to any further right of participation in the profits or assets of the Company in excess of that specified in Article 3A.4.1 above. In the event that there is a winding-up to which Article 3A.4.1 applies and the amounts available for payment are insufficient to pay the amounts due on all the B Shares in full, the holders of the B Shares shall be entitled to their *pro rata* proportion of the amounts to which they would otherwise be entitled.
- 3A.4.3** The aggregate entitlement of each holder of B Shares on a winding-up in respect of all the B Shares held by him, her or it shall be rounded up to the nearest whole penny.
- 3A.4.4** The holders of the B Shares shall not be entitled to any further right of participation in the profits or assets of the Company in their capacity as holders of B Shares.

3A.5 Attendance and voting at general meetings

- 3A.5.1** The holders of the B Shares shall not be entitled, in their capacity as holders of such B Shares, to receive notice of any General Meeting nor to attend, speak or vote at any such General Meeting unless the business of the meeting includes the consideration of a resolution for the winding-up of the Company (excluding any intra-group reorganisation on a solvent basis), in which case the holders of the B Shares shall have the right to attend such meeting and shall be entitled to speak and vote only on any such resolution.
- 3A.5.2** If the holders of the B Shares are entitled to vote at a General Meeting of the Company in their capacity as holders of such B Shares, then, subject to any other provisions of these Articles, each holder thereof shall be entitled to vote at such meeting whether on a show of hands or on a poll as provided in the Companies Acts. For this purpose, where a proxy is given discretion as to how to vote on a show of hands, this shall be treated as an instruction by the relevant holder of B Shares to vote in the way in which the proxy elects to exercise that discretion.

3A.6 Class rights

- 3A.6.1** The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority or subsequent to the B Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the B Shares) shall be treated as being in accordance with the rights attaching to the B Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B Shares.
- 3A.6.2** A reduction by the Company of the capital paid up or credited as paid up on the B Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the B Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B Shares.

3A.7 Form

The B Shares shall not be listed or traded on any stock exchange nor shall any share certificates be issued in respect of such shares. The B Shares shall not be transferable except in accordance with Article 3A.8 above.

3A.8 Transfer

No B Share may be transferred, except to Jefferies (which transfer may be made directly to Jefferies or via any receiving agent appointed by the Company) in accordance with the terms of the B Share Purchase Offer or to the Company.

3A.9 Transmission of B Shares

Articles 45 to 48 shall not apply to the B Shares.

3A.10 Deletion of Article 3A when no B Shares in existence

Article 3A shall automatically come into force on the first issuance of one or more B Shares and remain in force until there are no longer any B Shares in existence (including as a result of all B Shares having been automatically reclassified as C Shares in accordance with this Article 3A),

notwithstanding any provision in these Articles to the contrary. Thereafter Article 3A shall be, and shall be deemed to be, of no effect (save to the extent that the provisions of Article 3A are referred to in other Articles) and shall be deleted and replaced with the wording “Article 3A has been deleted”, and the separate register for the holders of B Shares shall no longer be required to be maintained by the Company; but the validity of anything done under Article 3A before that date, and accrued rights in respect of the payment of dividends arising before that date, shall not otherwise be affected and any actions taken under Article 3A before that date shall be conclusive and not be open to challenge on any grounds whatsoever.

3B Rights and Restrictions Attached to C Shares

3B.1 General

Notwithstanding Article 4, the C Shares (as defined in Article 3A.3 above) shall have the rights, and be subject to the restrictions, attaching to shares set out in these Articles save that in the event of a conflict between any provision in this Article 3B and any other provision in these Articles, the provisions in this Article 3B shall prevail.

3B.2 Income

The C Shares shall confer no right to participate in the profits of the Company.

3B.3 Capital

3B.3.1 On a return of capital on a winding-up (excluding any intra-group reorganisation on a solvent basis), there shall be paid to the holders of the C Shares the nominal capital paid up, or credited as paid up, on such C Shares after paying to the holders of the B Shares the amounts they are entitled to receive on a winding-up in accordance with their terms.

3B.3.2 The holders of the C Shares shall not be entitled to any further right of participation in the assets of the Company.

3B.4 Attendance and voting at general meetings

The holders of the C Shares shall not be entitled, in their capacity as holders of such shares, to receive notice of any General Meeting or to attend, speak or vote at any such meeting.

3B.5 Class rights

3B.5.1 The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority to the C Shares, and on such creation, allotment or issue any such further shares (whether or not ranking in any respect in priority to the C Shares) shall be treated as being in accordance with the rights attaching to the C Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the C Shares.

3B.5.2 The reduction by the Company of the capital paid up on the C Shares shall be in accordance with the rights attaching to the C Shares and shall not involve a variation of such rights for any purpose and the Company shall be authorised at any time to reduce its capital (in accordance with the Statutes) without obtaining the consent of the holders of the C Shares.

3B.6 Form

The C Shares shall not be listed or traded on any stock exchange nor shall any share certificates be issued in respect of such shares. The C Shares shall not be transferable except in accordance with Article 3B.8 above or with the written consent of the Independent RMG Directors.

3B.7 Transfer

3B.7.1 No C Share may be transferred, except to Jefferies (which transfer may be made via any receiving agent appointed by the Company) or to the Company.

3B.7.2 If any C Share is held by any person other than Jefferies then each of the Independent RMG Directors and the Company Secretary is hereby authorised on behalf of each holder of those C Shares to accept any offer from Jefferies to purchase such C Shares for their

nominal value and to execute all documents and/or deeds and do all acts and things in the name of each holder of C Shares or otherwise on behalf of each such holder's behalf which such Independent RMG Director or Company Secretary shall in their absolute discretion consider necessary or desirable in order to accept such offer. No individual shareholder will be able to accept or reject such with respect to such C Shares but shall be bound by the acceptance or rejection on his, her or its behalf of the relevant Independent RMG Director or Company Secretary.

3B.7.3 The Company may at any time (and from time to time) (subject to the provisions of the Statutes) without obtaining the sanction of the holder or holders of the C Shares:

3B.7.3.1 execute on behalf of any holder of C Shares a transfer of all of the C Shares or any part thereof (and/or an agreement to transfer the same) to the Company or any person nominated by the Company, in any case for not more than the nominal value of the C Shares then being transferred, or appoint any person to do the same (subject as agreed between such person and the Company or Company nominee in writing); and

3B.7.3.2 cancel all or any of the C Shares purchased or acquired by the Company in accordance with the Statutes.

3B.8 Transmission of C Shares

Articles 45 to 48 shall not apply to the C Shares.

3B.9 Deletion of Article 3B when no C Shares in existence

Article 3B shall automatically come into force on the first conversion of a B Share into a C Share pursuant to Article 3A and shall remain in force until there are no longer any C Shares in existence, notwithstanding any provision in these Articles to the contrary. Thereafter Article 3B shall be, and shall be deemed to be, of no effect (save to the extent that the provisions of Article 3B are referred to in other Articles) and shall be deleted and replaced with the wording "Article 3B has been deleted", and the separate register for the holders of C Shares shall no longer be required to be maintained by the company; but the validity of anything done under Article 3B before that date shall not otherwise be affected and any actions taken under Article 3B before that date shall be conclusive and not be open to challenge on any grounds whatsoever.

Resolution 2 – Issue of B Shares

THAT, conditional on:

- (a) the approval of the proposed scheme of arrangement (the **Scheme**) in connection with the recommended all-share acquisition of the Company by AssetCo plc (**AssetCo**) (the **Acquisition**) by the requisite majorities of Shareholders at a court meeting and general meeting of the Company (**Scheme Approval**), as further set out in the circular to Shareholders dated on or about 8 March 2022 (the **Scheme Circular**); and
- (b) the satisfaction or waiver of the condition set out in paragraph 3(e) of Part Three (Conditions to and Certain Further Terms of the Scheme and the Acquisition) of the Scheme Circular (the **Acquisition FCA Condition**),

and subject to the passing of resolution 1:

the Directors be and are hereby generally and unconditionally authorised:

- (1) to capitalise a sum not exceeding £900 standing to the credit of the Company's share premium account, and to apply such sum in paying up in full up to the maximum number of non-cumulative irredeemable preference shares of 0.001 pence each in the capital of the Company carrying the rights and restrictions set out in article 3A of the Amended Articles (the **B Shares**) that may be allotted pursuant to the authority given by sub-paragraph 2; and
- (2) pursuant to section 551 of the Companies Act 2006 (the **Act**), to exercise all powers of the Company to allot and issue credited as fully paid up (provided that the authority hereby confirmed shall expire at the end of the next annual general meeting of the Company or, if earlier, at the close of business on 12 March 2023) B Shares up to an

aggregate nominal amount of £900 to the holders of the ordinary shares of £0.003 each in the capital of the Company (**Ordinary Shares**) on the basis of one B Share for every Ordinary Share (excluding the Ordinary Shares held by the Company in treasury, if any) held and recorded on the register of members of the Company at 6.00 p.m. on such time and date as the Directors may determine) (the **B Share Scheme Record Time**), in accordance with the terms of the circular sent by the Company to its shareholders on or around 8 March 2022 and the directors' determination as to the number of B Shares to be allotted and issued.

Resolution 3 – Approval of the terms of the Option Agreement

THAT, conditional on Scheme Approval having been obtained and the satisfaction or waiver (as the case may be) of the Acquisition FCA Condition and subject to the passing of resolutions 1 and 2, the terms of the contract dated on or around 8 March 2022 between Jefferies and the Company (a copy of which is produced to the meeting and initialled for the purposes of identification by the Chairman) under which (I) the Company would be entitled to require Jefferies to sell to it all the B Shares following their reclassification as C Shares (howsoever arising) (the **C Shares**) and (II) conditional on the Single B Share Dividend (as defined in resolution 1) not having been paid by the Company to Jefferies by 10.00 a.m. on the second Business Day after Jefferies purchases the B Shares under the contract (A) Jefferies will be entitled to require the Company to purchase the B Shares from Jefferies, and (B) the Company will be entitled to require Jefferies to sell the B Shares to the Company (the **Option Agreement**), subject to the terms, conditions and limitations in the Option Agreement, be and are hereby approved and authorised for the purposes of section 694 of the Act and otherwise, but so that such approval and authority shall expire at the end of the next annual general meeting of the Company to be held in 2022 or, if no such annual general meeting is held in 2022, at the close of business on 12 March 2023.

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. 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 11.30 a.m. on 30 March 2022 (or 48 hours before the time appointed for any adjourned meeting at which it is to be used). 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). 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 11.30 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.

