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Press release 16 April 2021

Allfunds Group Limited

Announces indicative price range, publication of the Prospectus and start of the offer period of planned Offering

Allfunds Group Limited (to be re-registered as a public company limited by shares under the laws of England and Wales and renamed Allfunds Group plc prior to Admission (“Allfunds”, the “Company” and, together with its consolidated subsidiaries, the “Group”)), one of the world’s leading B2B WealthTech platforms, today announces the indicative price range and the publication of the prospectus (the “Prospectus”) in connection with its intended initial public offering (the “Offering”) and subsequent admission to trading and official listing of its shares (“Shares”) on Euronext Amsterdam (“Admission”). The offer period will commence today. Listing of and first trading on an ‘as-if-and-when-delivered’ basis in the Shares on Euronext Amsterdam under symbol ALLFG is currently expected to commence on Friday, 23 April 2021 (the “First Trading Date”).

Offering highlights

- The indicative price range for the Offering is set between €10.50 and €12.00 (inclusive) per Share (the “Offer Price Range”), implying a market capitalisation of €6.6 billion to €7.6 billion¹.
- The Offering consists solely of a private placement of up to 163,650,850 Shares (the “Offer Shares”) held by LHC3 Plc (which is indirectly controlled by funds managed by affiliates of Hellman & Friedman LLC and Eiffel Investment Pte Ltd, a nominated investment vehicle of GIC Special Investments Pte Ltd), BNP Paribas Securities Services and Credit Suisse A.G. (together, the “Selling Shareholders”) to a range of institutional investors in various jurisdictions. Assuming no exercise of the Over-Allotment Option (as defined below), the Offer Shares represent up to a maximum of approximately 26% of the Company’s issued and outstanding share capital. The Company will not receive any proceeds from the sale of the Shares.
- In addition, the Selling Shareholders have granted Morgan Stanley Europe SE as stabilisation manager (on behalf of the Joint Global Coordinators (as defined below)) an option (the “Over-Allotment Option”), exercisable within 30 calendar days after the First Trading Date, corresponding to up to approximately 24,547,628 Shares or up to 15% of the number of the Offer Shares.

¹ Assuming full placement of the Offer Shares and no exercise of the Over-Allotment Option.

- Assuming the Over-Allotment Option is exercised in full, and assuming full placement of the Offer Shares, the value of the Offering will be between €2.0 billion to €2.3 billion and will correspond to up to a maximum of approximately 29.9% of the Company’s issued and outstanding share capital.
- Funds and accounts managed by BlackRock (collectively “BlackRock”), Jupiter Investment Management Limited and Jupiter Asset Management Limited (together “Jupiter”), Mawer Investment Management Ltd (“Mawer”), Lazard Asset Management Limited, for and on behalf of its participating accounts (“Lazard”) and Henderson Global Investors Limited (“Janus Henderson Investors”) (together, the “Cornerstone Investors”) have each entered into a cornerstone agreement to acquire Shares in the Offering at the final offer price, subject to certain conditions, for an amount of €850 million in aggregate, consisting of a commitment of €250 million from BlackRock, €200 million from Jupiter, €160 million from Mawer and €120 million from Lazard and Janus Henderson Investors. Based on an Offer Price at the mid-point of the Offer Price Range, the total number of Shares acquired by the Cornerstone Investors would be approximately 75,555,556 Shares, which represent approximately 40.1% of the Offer Shares, assuming that the Over-Allotment Option is exercised. The Cornerstone Investors may also subscribe for or purchase additional Shares in the Offering. Allocation of any such additional Shares shall be determined by the Company and the Selling Shareholders, after consultation with the Joint Global Coordinators.
- The Offering will take place from 09:00 CET on Friday, 16 April 2021, until 14:00 CET on Thursday, 22 April 2021, subject to acceleration or extension of the timetable for the Offering.
- The Offering will consist of a private placement of existing Shares provided by the Selling Shareholders (i) to a range of institutional investors in various jurisdictions outside the United States, including the Netherlands, in compliance with Regulation S under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) and (ii) to “qualified institutional buyers” in the United States as defined in, and in reliance on, Rule 144A under the U.S. Securities Act or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. There will be no public offering in any jurisdiction.
- The Company, the Selling Shareholders, BNP Paribas Asset Management Holding (an existing shareholder of the Company) (“BNPP AM”) and certain senior managers of the Group have entered into customary lock-up arrangements with the Underwriters (as defined below), restricting their ability to issue, sell or transfer Shares for a period ending 180 days after the Settlement Date for the Company, the Selling Shareholders and BNPP AM, and for a period ending 365 days after the Settlement Date for certain senior managers of the Group, subject to certain customary carve-outs and possible waiver by the Joint Global Coordinators.
- BNP PARIBAS, Credit Suisse Securities Sociedad de Valores, S.A., Citigroup Global Markets Europe AG and Morgan Stanley Europe SE have been appointed as joint global coordinators for the Offering (the “Joint Global Coordinators”). Rothschild & Co is acting as independent IPO advisor to the Company.
- BofA Securities Europe SA, Barclays Bank Ireland PLC, CaixaBank S.A., HSBC Continental Europe, ING Bank N.V., Intesa Sanpaolo S.p.A. and Banco Santander, S.A. have, together with the Joint Global Coordinators, been appointed as Joint Bookrunners for the Offering (together with the Joint Global Coordinators, the “Underwriters”).
- The Prospectus as approved by the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*, the “AFM”) is available on the corporate website of the Company (www.allfunds.com).

Juan Alcaraz, Founder and CEO of Allfunds, comments:

“We’re hugely encouraged by the strong initial reaction to our IPO and welcome BlackRock, Jupiter, Mawer, Lazard and Janus Henderson Investors to our shareholder register as cornerstone investors. Allfunds has maintained very positive momentum through the first quarter of 2021, as we look to realise the fantastic opportunity ahead by offering best in class service for our clients, driving growth and continuing the journey we began in 2000. I look forward to the remainder of the listing process and delivering on our ambition to shape the digital transformation of the wealth management industry.”

Allfunds highlights

- Allfunds is one of the largest B2B WealthTech Platforms globally, with over €1.2 trillion Assets Under Administration (“AuA”), access to approximately 1,500 Distributors in 59 countries, a selection of approximately 100,000 funds from 1,960 Fund Houses as of 31 December, 2020 and 15 local offices in Europe, Asia, Latin America and North America.
- The Group has continued to benefit from very strong AuA growth momentum in the first quarter of 2021, with organic AuA (excluding the impact from recent acquisitions) increasing from €515 billion as at 31 December 2020 to €584 billion as at 31 March 2021, representing a growth rate of 13% over a three month period.
- Allfunds benefits from secular growth trends globally: household wealth growth, financial assets penetration, open-architecture penetration and outsourcing penetration. The Asian market in particular represents a huge opportunity and Allfunds is well positioned to capture current market trends and strengthen its position in the region.
- The Allfunds platform is a one-stop-shop designed to replace several blocks of the legacy wealth management value chain with a single, integrated, end-to-end platform combining distribution, dealing, custody and administration services, as well as digital & data centric solutions.
- Powerful network effects: new Distributors are attracted to the Allfunds platform as a result of its comprehensive suite of services and ability to achieve better terms negotiating distribution agreements. This in turn generates incremental flows to Fund Houses and incentivises more of them to join Allfunds, further reinforcing the value proposition to Distributors.
- Allfunds believes that it has a simple, proven and highly attractive business model: Distributors receive valuable core services free-of-charge while Fund Houses pay recurring commissions on their AuA intermediated on the platform. In addition, Fund Houses and Distributors increasingly pay annual subscription and licence fees for existing and newly developed value-added services.
- Allfunds provides a comprehensive set of digital solutions to its clients through Allfunds Connect, a subscription-based SaaS-enabled offering of data-centric services, creating additional incentives for Distributors and Fund Houses to continue using and increasing their use of the platform.
- Allfunds’ technology platform was built in-house, is highly scalable, and is designed to replace legacy in-house and third party solutions with a single, fully integrated platform enabling clients to be fully operational within days.
- Allfunds has materially increased its scale, capabilities, and geographical footprint through a number of value-accretive acquisitions in recent years, pursuing a strategy focused on both opportunistic bolt-on acquisitions and transformative mergers and acquisitions. The Company is well positioned to continue to act as a disciplined consolidator in a highly fragmented industry.
- The Group has an attractive financial profile supported by a combination of strong top-line organic growth (12% organic revenue CAGR since 2016), profitability (over 70% EBITDA margin in 2020PF²) and high cash conversion at scale. The business has proven its resilience to economic cycles, including during the recent COVID-19 pandemic.
- Since Allfunds' inception, its management team, led by its Founder and CEO Juan Alcaraz, has focused on fostering an entrepreneurial culture and bringing together global expertise and local knowledge, which has enabled it to build what the Group is today – a leading global B2B WealthTech platform.

Anticipated timetable

Subject to acceleration or extension, the timetable below lists the expected key dates for the Offering:

- Publication of the Prospectus on Friday, 16 April 2021
- Start of the Offering period on Friday, 16 April 2021 at 9.00 CET

² Pro forma for full year of BNPP Local Paying Agent

- End of the Offering period on Thursday, 22 April 2021 at 14.00 CET
- Pricing of the Offering on Thursday, 22 April 2021
- Publication of results of the Offering and expected Allocation on Friday, 23 April 2021
- First Trading Date (commencement of trading on an ‘as-if-and-when-delivered’ basis) on Euronext Amsterdam on Friday, 23 April 2021
- Settlement Date (payment and delivery) on Tuesday, 27 April 2021

Risk Factors

Investing in the Company involves certain risks. A description of these risks, which include risks relating to the Company as well as risks relating to the Offering and the Shares is included in the Prospectus. **Any decision to participate in the Offering should be made solely on the basis of the information contained in the Prospectus.**

Earlier announcements related to the Offering

On Wednesday, 7 April 2021, the Company announced its intention to launch an offering and list on Euronext Amsterdam. The press release is available on the corporate website of the Company (www.allfunds.com).

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This announcement is for information purposes only and is not intended to constitute, and should not be construed as, an offer to sell or a solicitation of any offer to buy the Shares in any jurisdiction, including the United States, Canada, Australia, Japan or South Africa.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States. This announcement is not an offer of securities for sale into the United States. The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States, absent registration or an applicable exemption from registration. The Company has no intention to register any part of the Offering in the United States or make a public offering of securities in the United States.

In the United Kingdom, this announcement and any other materials in relation to the Shares is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" (as defined under the Prospectus Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 and underlying legislation) and who are: (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order and other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). Persons who are not relevant persons should not take any action on the basis of this document and should not act or rely on it.

The Company has not authorised any offer to the public of Shares in any Member State of the European Economic Area or the United Kingdom. With respect to any Member State of the European Economic Area and the United Kingdom (each a "Relevant State"), no action has been undertaken or will be undertaken to make an offer to the public of Shares requiring publication of a prospectus in any Relevant State. As a result, the Shares may only be offered in Relevant States: (i) to any legal entity which is a qualified investor as defined in the Prospectus Regulation or UK Prospectus Regulation; or (ii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation or UK Prospectus Regulation.

For the purpose of this paragraph, the expression "offer of securities to the public" means the communication in any form and by any means of sufficient information on the terms of the Offering and the Shares to be offered so as to enable the investor to decide to purchase or subscribe for the Shares, the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 and includes any relevant delegated regulations and the expression "UK Prospectus Regulation" means as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. No action has been taken by the Company or its shareholders that would permit an offer of Shares or the possession or distribution of this announcement or any other offering or publicity material relating to such Shares in any jurisdiction where action for that purpose is required.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which they are released, published or distributed, should inform themselves about, and observe, such restrictions.

This announcement may include statements, including the Company's financial and operational medium- to long-term objectives that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "targets", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward-looking statements speak only as of the date they are made. Each of the Company, its shareholders, the Underwriters and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

The price and value of securities may go up as well as down. Persons needing advice should contact a professional adviser.

Information in this announcement or any of the documents relating to the Offering cannot be relied upon as a guide to future performance.

The Underwriters are acting exclusively for the Company and/or the Selling Shareholders and no one else in connection with any offering of Shares. They will not regard any other person as their respective clients in relation to any offering of Shares and will not be responsible to anyone other than the Company and/or the Selling Shareholders for providing the protections afforded to their respective clients nor for providing advice in relation to any offering of Shares, the contents of this announcement or any transaction, arrangement or other matter referred to herein. None of the Underwriters or any of their respective subsidiary undertakings, affiliates or any of their respective directors, officers, employees, advisers, agents, alliance partners or any other entity or person accepts any responsibility or liability whatsoever for, or makes any representation, warranty or undertaking, express or implied, as to the truth, accuracy, completeness or fairness of the information or opinions in this announcement (or whether any information has been omitted from this announcement) or any other information relating to the group, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith. Accordingly, the Underwriters disclaim, to the fullest extent permitted by applicable law, all and any liability, whether arising in tort or contract or that they might otherwise be found to have in respect of this announcement and/or any such statement.

In connection with the Offering, each of the Underwriters and any of their affiliates, may take up a portion of the Shares in the Offering as a principal position and, in that capacity, may retain, purchase, sell, offer to sell for its own account such Shares and other securities of the Company or related investments in connection with the Offering or otherwise. In addition, each of the Underwriters and any of their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which each of the Underwriters and any of their affiliates may from time to time acquire, hold or dispose of Shares. None of the Underwriters or their affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares subject of the Offering have been subject to a product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, "Distributors" (for the purposes of the MiFID II Product Governance Requirements) should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each Distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

The Company may decide not to go ahead with the IPO and there is therefore no guarantee that Admission will occur. You should not base your financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested.