

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART 2 OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT UNDER SECTION 897 OF THE COMPANIES ACT. The Scheme, if implemented, will result in the cancellation of the admission to trading of Lighthouse Shares on AIM. If you are in any doubt about the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.**

If you sell, have sold or otherwise transferred all of your Lighthouse Shares, please send this document (but not the accompanying personalised Forms of Proxy) at once to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, this document should not be forwarded or transmitted in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws of that jurisdiction. If you have sold or transferred part only of your Lighthouse Shares, you should retain this document and consult the stockbroker, bank or other agent through whom the sale or transfer was effected. The accompanying Forms of Proxy are personalised. If you have recently purchased or been transferred Lighthouse Shares, you should contact Lighthouse's registrars, Link Asset Services by telephoning the helpline, details of which are set out on page 8 of this document, to obtain replacements of these documents.

**The distribution of this document in whole or in part, directly or indirectly in, into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves of, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.**

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**RECOMMENDED CASH OFFER**  
**FOR**  
**LIGHTHOUSE GROUP PLC**  
**BY**  
**INTRINSIC FINANCIAL SERVICES LIMITED**

a wholly-owned indirect subsidiary of Quilter plc

to be effected by means of a scheme of arrangement under

Part 26 of the Companies Act 2006

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**You should read carefully the whole of this document, any information incorporated into this document by reference from another source and the accompanying Forms of Proxy. Your attention is drawn to the letter from the Chairman of Lighthouse in Part 1 of this document, which contains the unanimous recommendation of the Lighthouse Directors that you vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting. A letter from Investec Bank plc explaining the Acquisition and the Scheme in greater detail appears in Part 2 of this document and constitutes an explanatory statement in compliance with section 897 of the Companies Act.**

The Scheme will require the approval of the Lighthouse Scheme Shareholders at the Court Meeting to be held at the offices of DLA Piper UK LLP at 160 Aldersgate Street, London EC1A 4HT at 10.00 am on 10 May 2019. The Scheme will also require the approval of Lighthouse Shareholders of the Resolution at the General Meeting to be held at the same place at 10.15 am on 10 May 2019 (or as soon thereafter as the

Court Meeting has concluded or been adjourned). Notices of the Lighthouse Meetings are set out in Part 9 and Part 10 of this document.

**The action to be taken by Lighthouse Shareholders in respect of the Lighthouse Meetings is set out on pages 7 and 8 of this document. Please read this information carefully. It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Lighthouse Scheme Shareholder opinion. You are therefore strongly urged to complete, sign and return your Forms of Proxy or transmit a proxy instruction (either electronically or through CREST) as soon as possible.**

**Completing and returning the Forms of Proxy, completing and transmitting a CREST Proxy Instruction or appointing a proxy electronically will not prevent you from attending and voting in person at either Lighthouse Meeting, or any adjournment of either Lighthouse Meeting, if you so wish and are so entitled.**

If you have any questions relating to this document (or any information incorporated into this document by reference from another source), the Lighthouse Meetings or the completion and return of the Forms of Proxy, please telephone the helpline, details of which are set out on page 8 of this document.

## **IMPORTANT NOTICES**

### **Important notices relating to financial advisers**

J.P. Morgan Securities plc, which conducts its U.K. investment banking business as J.P. Morgan Cazenove (“**J.P. Morgan Cazenove**”), is authorised in the United Kingdom by the PRA and regulated by the PRA and the FCA. J.P. Morgan Cazenove is acting as financial adviser exclusively for Intrinsic and Quilter and no one else in connection with the matters set out in this document and will not regard any other person as its client in relation to the matters set out in this document and will not be responsible to anyone other than Intrinsic and Quilter for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, or for providing advice in relation to any matter referred to herein.

Investec Bank plc (“**Investec**”), which is authorised by the PRA and regulated in the United Kingdom by the FCA and the PRA and is acting exclusively for Lighthouse and no one else in relation to the Acquisition and/or other matters set out in this document and will not be responsible to anyone other than Lighthouse for providing the protections afforded to clients of Investec or for providing advice in relation to the Acquisition, the contents of this document or any other matter or arrangement referred to herein.

### **Overseas Shareholders**

This document has been prepared in accordance with English law, the Takeover Code, the Market Abuse Regulation, the AIM Rules and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

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

Copies of this document and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise determined by Intrinsic and permitted by applicable law and regulation), the Takeover Offer may not be communicated, directly or indirectly, in or into or by the use of the mails of, or by any other means or instrumentality (including, without limitation, by mail, telephonically or electronically by way of internet or otherwise) of interstate or foreign commerce of, or any facilities of a national, state or securities exchange of, any Restricted

Jurisdiction and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or otherwise.

The Acquisition will be subject to the applicable requirements of the Takeover Code, the Panel, AIM and the FCA.

### **Additional information for US investors**

US holders of Lighthouse Shares should note that the Acquisition relates to the securities of a UK company admitted to trading on AIM and is proposed to be implemented pursuant to a scheme of arrangement provided for under English company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Acquisition will be subject to UK procedural and disclosure requirements and practices applicable to a scheme of arrangement involving a target company in England admitted to trading on AIM, which are different from the disclosure requirements of the US tender offer and proxy solicitation rules. The financial information included in this document and other documentation related to the Acquisition has been or will have been prepared in accordance with International Financial Reporting Standards and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US. If Intrinsic exercises its right, in the circumstances provided for in this document, to implement the Acquisition by way of a Takeover Offer, such Takeover Offer will only be made in the United States if an exemption from the registration requirements of the US Securities Act is available.

None of the securities referred to in this document have been approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

It may be difficult for US holders of Lighthouse Shares to enforce their rights and claims arising out of the US federal securities laws, since Intrinsic and Lighthouse are located in countries other than the United States, and some or all of their officers and directors may be residents of countries other than the United States. US holders of Lighthouse Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

### **Forward-looking statements**

This document (including information incorporated by reference in this document), oral statements made regarding the Acquisition, and other information published by Intrinsic and Lighthouse contain statements which are, or may be deemed to be, "forward-looking statements". All statements, other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on assumptions, expectations, valuations, targets, estimates, forecasts and projections of Intrinsic and Lighthouse about future events, and are therefore subject to risks and uncertainties which could cause actual results, performance or events to differ materially from those expressed or implied by the forward-looking statements. The forward-looking statements contained in this document include statements relating to the expected effects of the Acquisition on the Intrinsic Group, the Lighthouse Group and the Enlarged Group, the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects", "budget", "targets", "aims", "scheduled", "estimates", "forecast", "intends", "anticipates", "seeks", "prospects", "potential", "possible", "assume" or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Intrinsic and Lighthouse believe that the expectations reflected in such forward-looking statements are reasonable, Intrinsic and Lighthouse can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risks (known and unknown) and uncertainties (and other factors that are in many cases beyond the control of Intrinsic and/or Lighthouse) because they relate to events and depend on circumstances that may or may not occur in the future.

There are a number of factors that could affect the future operations of the Intrinsic Group, the Lighthouse Group and/or the Enlarged Group and that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include the satisfaction (or, where permitted, waiver) of the Conditions, as well as additional factors, such as: domestic and global business and economic conditions; asset prices; market related risks such as fluctuations in interest rates and exchange rates, industry trends, competition, changes in government and regulation, changes in the policies and actions of governments and/or regulatory authorities (including changes related to capital and tax), changes in political and economic stability (including exposures to terrorist activities, the repercussions of the UK's referendum vote to leave the European Union (EU), the UK's exit from the EU (including any changes to the UK currency), Eurozone instability, any referendum on Scottish independence), disruption in business operations due to reorganisation activities, interest rate, inflation, deflation and currency fluctuations, the timing impact and other uncertainties of future or planned acquisitions or disposals or offers, the inability of the Enlarged Group to realise successfully any anticipated synergy benefits when the Acquisition is implemented (including changes to the board and/or employee composition of the Enlarged Group), the inability of the Intrinsic Group to integrate successfully the Lighthouse Group's operations and programmes when the Acquisition is implemented, the Enlarged Group incurring and/or experiencing unanticipated costs and/or delays (including IT system failures, cyber-crime, fraud and pension scheme liabilities), or difficulties relating to the Acquisition when the Acquisition is implemented. Other unknown or unpredictable factors could affect future operations and/or cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors.

Each forward-looking statement speaks only as of the date of this document. Neither Intrinsic Group nor Lighthouse Group, nor any of their respective associates or directors, officers or advisers, provides any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. Forward-looking statements involve inherent risks and uncertainties. All forward-looking statements contained in this document are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including under the Takeover Code, the Market Abuse Regulation, the AIM Rules and the Disclosure Guidance and Transparency Rules), neither the Intrinsic Group nor the Lighthouse Group is under or undertakes any obligation, and each of the foregoing 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 forecasts or estimates**

Nothing in this document is intended, or is to be construed, as a profit forecast or to be interpreted to mean that earnings per Lighthouse Share for the current or future financial years, will necessarily match or exceed the historical published earnings per Lighthouse Share.

#### **Disclosure requirements of the Takeover Code**

Under Rule 8.3(a) of the Takeover Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

#### **Information relating to Lighthouse Shareholders**

Please be aware that addresses, electronic addresses and certain information provided by Lighthouse Shareholders, persons with information rights and other relevant persons for the receipt of communications from Lighthouse may be provided to Intrinsic during the Offer Period as required under Section 4 of Appendix 4 of the Takeover Code.

#### **Publication on websites and availability of hard copies**

This document, together with any information incorporated into this document by reference to another source, is available free of charge (subject to any applicable restrictions relating to persons resident in Restricted Jurisdictions) on Quilter's website at [www.quilter.com/lighthousegroupoffer](http://www.quilter.com/lighthousegroupoffer) and on Lighthouse's website at [www.lighthousegroup.plc.uk/investor-relations/](http://www.lighthousegroup.plc.uk/investor-relations/).

Neither the content of the websites referred to in this document nor the content of any website accessible from hyperlinks is incorporated into, or forms part of, this document.

Lighthouse Shareholders may, subject to applicable securities laws, request a hard copy of this document (and any information incorporated into it by reference to another source) by contacting Lighthouse's registrars, Link Asset Services during business hours on 0371 664 0300 within the United Kingdom or on +44 (0) 371 664 0300 from overseas or by submitting a request in writing to [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk) or 34 Beckenham Road, Beckenham BR3 4TU, with an address to which the hard copy may be sent. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside of the United Kingdom will be charged at the applicable international rate. Unless you make such a request, a hard copy of this document (and any information incorporated by reference to another source) will not be sent to you. Lighthouse Shareholders may, subject to applicable securities laws, also request that all future documents, announcements and information to be sent in relation to the Acquisition should be in hard copy form.

#### **Rounding**

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

**Time**

All times shown in this document are London times, unless otherwise stated.

**Date**

This document is dated 15 April 2019.

## ACTION TO BE TAKEN

**For the reasons set out in this document, the Lighthouse Directors unanimously recommend that you vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting, as the Lighthouse Directors who hold Lighthouse Shares have irrevocably undertaken to do in respect of their own beneficial holdings totalling 4,539,063 Lighthouse Shares (representing approximately 3.6 per cent. of the issued ordinary share capital of Lighthouse as at 12 April 2019, being the last Business Day before the date of this document), and the Lighthouse Directors unanimously recommend that you take the action described below.**

### **Voting at the Lighthouse Meetings**

The Scheme will require the approval of the Lighthouse Scheme Shareholders at the Court Meeting to be held at the offices of DLA Piper UK LLP at 160 Aldersgate Street, London EC1A 4HT at 10.00 am on 10 May 2019. The Scheme will also require the approval of Lighthouse Shareholders of the Resolution at the General Meeting to be held at the same place at 10.15 am on 10 May 2019 (or as soon thereafter as the Court Meeting has concluded or been adjourned). Notices of the Lighthouse Meetings are set out in Part 9 and Part 10 of this document.

### **Please check you have received with this document:**

- a WHITE Form of Proxy for use at the Court Meeting;
- a YELLOW Form of Proxy for use at the General Meeting; and
- a reply-paid envelope for use in the United Kingdom.

If you have not received these documents, please contact Lighthouse's registrars, Link Asset Services on the helpline, details of which are set out on page 8 of this document.

Whether or not you plan to attend the Lighthouse Meetings, please complete the enclosed Forms of Proxy in accordance with the instructions printed on them and return them to: Link Asset Services at PXS1, 34 Beckenham Road, Beckenham BR3 4ZF as soon as possible and, in any event, so as to be received by no later than:

- **10.00 am on 8 May 2019 in the case of the WHITE Form of Proxy for the Court Meeting; and**
- **10.15 am on 8 May 2019 in the case of the YELLOW Form of Proxy for the General Meeting,**

**(or in the case of any adjournment, not later than 48 hours before the time fixed for the adjourned meeting). A reply-paid envelope is provided for use in the United Kingdom only.**

If the WHITE Form of Proxy for use at the Court Meeting is not received by Link Asset Services by 10.00 am on 8 May 2019, it may be handed to the Chairman of the Court Meeting before the commencement of the Court Meeting. However, if the YELLOW Form of Proxy for the General Meeting is not received by Link Asset Services by 10.15 am on 8 May 2019, it will be invalid.

If you hold your Lighthouse Shares in CREST, you may vote using the CREST voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes on the notices of each Lighthouse Meeting set out in Parts 9 and 10 of this document).

Proxies submitted electronically through CREST must be sent as soon as possible, and in any event, so as to be received by no later than 10.00 am on 8 May 2019 in the case of the Court Meeting and by 10.15 am on 8 May 2019 in the case of the General Meeting (or in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

Lighthouse Shareholders entitled to attend and vote at the Lighthouse Meetings may appoint a proxy electronically by logging on to [www.signalshares.com](http://www.signalshares.com), selecting "Register for the Share Portal" and entering "Lighthouse" in the box provided. "Lighthouse" will be presented on the next screen and you should click

on this. Once you have clicked on this, you should follow the prompts on the screen by entering your surname, investor code (which is shown on the personalised Forms of Proxy), postcode, email address and selecting a password. Once you have registered, you will have the opportunity to appoint a proxy online. For an electronic proxy to be valid, your appointment must be received by Link Asset Services no later than 48 hours before the time and date set for the relevant meeting.

Completing and returning the Forms of Proxy, completing and transmitting a CREST Proxy Instruction or appointing a proxy electronically will not prevent you from attending and voting in person at the Lighthouse Meetings, or any adjournment of the Lighthouse Meetings, if you so wish and are so entitled.

#### **IMPORTANT NOTICE**

**IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF LIGHTHOUSE SCHEME SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY OR TRANSMIT A PROXY INSTRUCTION (EITHER ELECTRONICALLY OR THROUGH CREST) AS SOON AS POSSIBLE AND, IN ANY EVENT, BY NO LATER THAN 10.00 AM ON 8 MAY 2019, IN THE CASE OF THE COURT MEETING, AND BY NO LATER THAN 10.15 AM ON 8 MAY 2019, IN THE CASE OF THE GENERAL MEETING.**

#### **HELPLINE**

If you have any questions relating to this document (or any information incorporated into this document by reference to another source), the Lighthouse Meetings or the completion and return of the Forms of Proxy, please contact Lighthouse's registrars, Link Asset Services during business hours on 0371 664 0300 within the United Kingdom or on +44 (0) 371 664 0300 from overseas or by writing to [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk) or 34 Beckenham Road, Beckenham BR3 4TU. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside of the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 am to 5.00 pm, Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.



## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following indicative timetable sets out the expected dates for implementation of the Scheme.

<b>Event</b>	<b>Time and/or date</b>
Latest time for lodging Forms of Proxy for the:	
• <b>Court Meeting (WHITE Form of Proxy)</b>	10.00 am on 8 May 2019 <sup>1</sup>
• <b>General Meeting (YELLOW Form of Proxy)</b>	10.15 am on 8 May 2019 <sup>2</sup>
Voting Record Time	6.00 pm on 8 May 2019 <sup>3</sup>
<b>Court Meeting</b>	10.00 am on 10 May 2019
<b>General Meeting</b>	10.15 am on 10 May 2019 <sup>4</sup>
<i>Certain of the following dates are subject to change (please see note (5) below):</i>	
Court Hearing	A date expected to be no later than 14 days after the satisfaction of Condition 3, relating to the CMA, and Condition 4 relating to the FCA approval, being “ <b>D</b> ”
Last day of dealings in, and for registration of transfers of, and disablement in CREST of, Lighthouse Shares	D+1 Business Day
Suspension of dealings in, Lighthouse Shares	5.00 pm on D+1 Business Day
Scheme Record Time	6.00 pm on D+1 Business Day
<b>Effective Date</b>	D+2 Business Days
Cancellation of admission to trading of Lighthouse Shares	8.00 am on the next Business Day after the Effective Date
Settlement of the consideration payable under the Acquisition	Within 14 days after the Effective Date
Long-Stop Date	30 September 2019 <sup>6</sup>

1 The WHITE Form of Proxy for the Court Meeting should be received by Link Asset Services before 10.00 am on 8 May 2019, or, if the Court Meeting is adjourned, not later than 48 hours before the time fixed for the holding of the adjourned meeting. WHITE Forms of Proxy not so received may be handed to the Chairman of the Court Meeting before the taking of the poll at the Court Meeting.

2 The YELLOW Form of Proxy for the General Meeting must be lodged with Link Asset Services before 10.15 am on 8 May 2019 in order for it to be valid, or, if the General Meeting is adjourned, not later than 48 hours before the time fixed for the holding of the adjourned meeting. The YELLOW Form of Proxy cannot be handed to the Chairman of the General Meeting at that meeting.

3 If a Lighthouse Meeting is adjourned, only those Lighthouse Scheme Shareholders (in the case of the Court Meeting) and Lighthouse Shareholders (in the case of the General Meeting) on the register of members of Lighthouse at 6.00 pm on the day which is two days before the adjourned meeting will be entitled to attend and vote.

4 To commence at the time fixed or, if later, immediately after the conclusion or adjournment of the Court Meeting.

5 These times and dates are indicative only and will depend, among other things, on the date on which: (i) the Conditions are either satisfied, or (if capable of waiver) waived, (ii) the Court sanctions the Scheme; and (iii) the Court Order is delivered to the Registrar of Companies. Lighthouse will give notice of any change(s) by issuing an announcement through a Regulatory Information Service and, if required by the Panel, send notice of the change(s) to Lighthouse Shareholders and other persons with information rights and, for information only, to holders of options under the Lighthouse LTIP.

6 This is the last date on which the Scheme may become Effective unless Intrinsic and Lighthouse, with the consent of the Panel and, if required, the approval of the Court, agree in writing a later date.

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# Part 1: Letter from the Chairman of Lighthouse Group plc

*(Incorporated in England and Wales with registered number 04042743)*

## Directors:

Richard Last (*Non-Executive Chairman*)  
Malcolm John Streatfield (*Chief Executive Officer*)  
Peter James Smith (*Group Finance Director and Company Secretary*)  
Kenneth George Paterson (*Group Compliance and Risk Director*)  
Alexander John Scott-Barrett (*Senior Independent Non-Executive Director*)  
Michelle Ann Cracknell (*Independent Non-Executive Director*)  
Ann Lindsay Roughead (*Independent Non-Executive Director*)

## Registered office:

26 Throgmorton Street  
London  
EC2N 2AN

15 April 2019

*To all holders of Lighthouse Shares, persons with information rights in Lighthouse and, for information only, to the holders of options under the Lighthouse LTIP.*

Dear Shareholder

## **Recommended cash offer for Lighthouse by Intrinsic, a wholly-owned indirect subsidiary of Quilter**

### **1. Introduction**

On 3 April 2019, the Boards of Quilter, Intrinsic and Lighthouse announced they had reached agreement on the terms of a recommended cash offer pursuant to which Intrinsic would acquire the entire issued and to be issued share capital of Lighthouse. The Acquisition is expected to be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

I am writing to you today to set out the terms, and provide further details, of the Acquisition and the background to and reasons why the Lighthouse Directors consider the terms of the Acquisition to be fair and reasonable and unanimously recommend that you vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting, both of which will be held on 10 May 2019 at the offices of DLA Piper UK LLP at 160 Aldersgate Street, London EC1A 4HT. The Court Meeting will start at 10.00 am and the General Meeting will start at 10.15 am (or as soon thereafter as the Court Meeting has concluded or been adjourned).

### **2. The Acquisition**

Under the terms of the Acquisition, which is subject to the Conditions and further terms set out in Part 3 of this document, Lighthouse Shareholders shall receive:

**for each Lighthouse Scheme Share                    33 pence in cash**

The Acquisition values the entire issued and to be issued ordinary share capital of Lighthouse at approximately £46.2 million (£42.2 million adjusted for approximately £4 million of excess cash held on Lighthouse's balance sheet as at 31 December 2018) and represents a premium of approximately:

- 24.5 per cent. to the Closing Price of 26.5 pence per Lighthouse Share on 2 April 2019 (being the last Business Day prior to the Announcement Date);
- 30.4 per cent. to the volume-weighted average price of 25.3 pence per Lighthouse Share for the three-month period ended 2 April 2019 (being the last Business Day prior to the Announcement Date); and
- 25.6 per cent. to the volume-weighted average price of 26.3 pence per Lighthouse Share for the six-month period ended 2 April 2019 (being the last Business Day prior to the Announcement Date).

In addition to the consideration payable in connection with the Acquisition, Lighthouse Shareholders will also be entitled to receive the 2018 final dividend to be paid by Lighthouse of up to 0.5 pence for each Lighthouse Share (the “**Pre-Close Dividend**”), as announced on 26 February 2019.

Intrinsic reserves the right to reduce the consideration payable in respect of each Lighthouse Share under the Acquisition by the amount to which the Pre-Close Dividend exceeds 0.5 pence for each Lighthouse Share and, where applicable, by the amount of any dividend (or other distribution), other than the Pre-Close Dividend, which is paid or becomes payable by Lighthouse to Lighthouse Shareholders on or prior to the Effective Date.

Please refer to Section 4 of Part 3 of this document for further information on the treatment of dividends.

### **3. Background to and reasons for the Acquisition**

The Board of Intrinsic considers the Acquisition of Lighthouse to be an opportunity to:

- grow its national advice business, adding experienced advisers and complementary customer segments in order to build mass in the highly attractive affluent client segment;
- add scale and operational strength to Intrinsic’s existing Network business, combining Intrinsic’s adviser network, which is the second largest financial advice network in the UK, with Lighthouse’s Communities Network business;
- combine Lighthouse’s successful affinity-based advisory business with Intrinsic’s depth of advice capability to augment Intrinsic’s strong growth prospects, leveraging the breadth of combined market reach with increased capacity to deliver on customer needs;
- deliver Quilter’s fully established investment solutions business to Lighthouse’s existing and future client base, subject to individual suitability, bringing an enhanced set of investment opportunities for the benefit of customers and advisers; and
- build upon Intrinsic’s and Lighthouse’s belief in face-to-face advice and the benefits that it provides for customers.

The acquisition of firms such as Lighthouse is a key component of Quilter’s overall strategy to become the UK’s leading wealth manager. Quilter has invested significantly over the last few years to grow its controlled advice capability combined with investments in new platform technology, discretionary investment management and the creation of a multi-asset business. This Acquisition would further strengthen Quilter’s and Intrinsic’s capabilities and support this growth strategy to better serve the combined customers and stakeholders.

### **4. Intrinsic’s strategic plans and intentions with regard to management, employees, places of business and other matters**

Intrinsic values Lighthouse’s business and, in particular, its focus on developing and maintaining high quality customer relationships. Intrinsic believes the UK population currently faces a significant need for financial advice, creating opportunities to provide high quality advisory solutions which satisfy this customer need. Intrinsic considers that Lighthouse’s business is complementary to that of Intrinsic, and that the Acquisition presents an opportunity to combine the expertise and capabilities of both businesses to accelerate business development opportunities and to provide more customers with controlled, quality financial advice.

At this stage, Intrinsic has had limited interaction with Lighthouse’s management for the purposes of integration planning. However, given Intrinsic’s experience in acquiring and integrating other similar businesses, it is familiar with the advice business operating model and is confident in its ability to integrate the Lighthouse business successfully, minimising disruption to Lighthouse’s customers, advisers and staff.

Intrinsic expects to commence its integration processes shortly after the Effective Date with the aim of finalising any integration planning within six to nine months of the Effective Date. Intrinsic intends to take

a ‘best of both’ approach in optimising the Enlarged Group through integration planning. As part of its integration activities, Intrinsic intends to transition the Lighthouse Group’s employees and advisers onto some of its own systems, processes and procedures. Intrinsic also intends to use Lighthouse’s current brand until it can be aligned with Quilter’s rebranding programme, at the appropriate time.

### ***National advice business***

Quilter’s vision is to be the most trusted wealth manager in the UK and, as part of this vision, it has an ambition to build the UK’s leading national advice business, focused on delivering quality solutions to its customers through controlled advice, a consistent brand and high quality experience. The Lighthouse Group’s advisory channels, LighthouseCarrwood and Lighthouse Financial Advice, display strong alignment with Intrinsic’s National Advice Business and are expected to significantly contribute to the delivery of Quilter’s vision.

Intrinsic expects Lighthouse’s current business development capabilities to add value to the Enlarged Group, specifically through supporting organic growth from existing successful affinity relationships and partnerships with regional accountancy firms across the UK. Intrinsic expects to be able to further those relationships through access to an increased number of financial advisers including its capability to develop new financial advisers through its Financial Adviser School. In addition, Intrinsic expects the Lighthouse Group’s advisers to benefit from the additional support and business development capabilities offered through the Enlarged Group.

### ***Network model***

Intrinsic expects the Lighthouse Group’s Communities and Wealth advisory channels to join Intrinsic’s current adviser network, one of the largest in the UK, supporting over 3,500 advisers, including independent financial advisers, mortgage and protection advisers and over 1,600 restricted financial planners. Lighthouse Group’s customers and advisers are expected to benefit from Intrinsic’s high quality customer proposition and experienced oversight and control environment. Lighthouse Group’s advisers will benefit from Intrinsic’s value-added offerings such as business development support, relationship management systems, access to Quilter’s training programmes (such as its Financial Adviser School) and access to Intrinsic’s Practice Buyout Scheme.

### ***Central functions and places of business***

Quilter currently has offices in a number of locations across the UK, including London, Southampton, Manchester, Swindon and Newcastle. Lighthouse currently supports a similar geographic footprint with key locations in Stockport, Brighton and London. Intrinsic intends to conduct a review of the Enlarged Group’s property portfolio after completion of the Acquisition, which may result in the rationalisation of the Enlarged Group’s property portfolio to remove duplication of geographical reach over time. Intrinsic expects this to include accommodating Lighthouse’s staff and advisers currently based in Lighthouse’s London headquarters within Intrinsic/Quilter’s London office.

Until the integration planning work has been completed (which is expected to be within six to nine months of the Effective Date), the precise impact of the Acquisition on the places of business of the Enlarged Group will not be known. However, consistent with Intrinsic’s ‘best of both’ approach, where practicable, Intrinsic’s aim will be to relocate staff in nearby locations of the Enlarged Group.

Intrinsic does not have any intention to make material changes to the fixed assets of the Lighthouse Group other than pursuant to the potential rationalisation of Lighthouse’s property portfolio referred to above.

### ***Management and employees***

Intrinsic expects that the non-executive directors and chairman of Lighthouse will step down from the Board of Lighthouse and are expected to be replaced by members of Intrinsic’s executive management team. It also expects that, after a suitable period of transition following the Acquisition, Lighthouse’s executive directors’ roles will not be required.

As a result of the expected overlap in operational and support functions between Intrinsic and Lighthouse, Intrinsic expects to merge duplicative operational and support functions. These functions are expected to include Compliance, Finance, Company Secretarial, Fee and Commission Processing, Internal Audit and Technology. Intrinsic expects between 15-30 full time equivalent employees of the Enlarged Group to be affected by this rationalisation, and intends to adopt a 'best of both' approach in identifying where headcount reductions will be made.

The finalisation and implementation of any rationalisation or de-duplication activities would be subject to comprehensive planning and engagement with the affected members of staff and/or representatives. Any affected employees from either organisation would be treated fairly and in an equitable manner, consistent with Quilter's culture and people-focused values. Following the Effective Date, the existing contractual and statutory employment rights of the Lighthouse employees will be observed and pensions obligations complied with. Other than in respect of aligning the terms and conditions of employment of members of Lighthouse's executive management team, Intrinsic does not envisage making any material changes to the conditions of employment of the Lighthouse Group employees or the existing agreed pension contributions for existing members of the Lighthouse pension plans or the inclusion of any new members into the existing Lighthouse defined contribution pension plans in connection with the Acquisition.

Save as set out above, the Intrinsic Board does not expect any material change to the balance of skills and functions of the employees and the management of the Lighthouse Group or the Enlarged Group.

Intrinsic has not proposed any incentivisation arrangements with members of the Lighthouse management and does not currently intend to put any such arrangements in place. Intrinsic may consider such an arrangement following its integration planning after the Effective Date.

#### ***AIM Listing***

On, or shortly after, the Effective Date, Intrinsic expects to cancel the trading of Lighthouse's shares on the AIM market.

#### ***Research and development***

Owing to the nature of its business, the Lighthouse Group does not conduct significant research and development activities but, to the extent any such activities are currently undertaken, Intrinsic does not expect to make material changes after the Effective Date.

The statements above will be treated as post-offer intention statements by Intrinsic for the purpose of Rule 19.6 of the Takeover Code.

### **5. Background to and reasons for the recommendation of the Acquisition**

In its 2018 Annual Report, Lighthouse outlined that it is reviewing its strategy for the next five years to identify those areas (such as the affinity and professional connections markets) which are most likely to produce future earnings growth. It also highlighted that additional accelerated investment may be required in adviser recruitment, lead generation and marketing to deliver this growth. This is set against a backdrop of current uncertainty within the UK retail financial services market as a result of the UK electorate voting to leave the EU in a public referendum on 23 June 2016 and corrections in UK and global financial markets in recent months as well as increased regulation. These factors inevitably mean upward pressure on costs, in particular in the areas of compliance, technology and professional indemnity insurance procurement. The current market dynamics seen in the UK retail financial services market mean that significant advantages can be achieved through scale and increased distribution capability.

Lighthouse has continued to make good progress throughout 2018 and into 2019, delivering a resilient performance in challenging trading conditions and continues to focus on improving its operational efficiency and delivering first-class services to its customers by developing innovative solutions. With an ongoing focus on increasing business derived from affinity relationships, by introducing new and enhanced financial solutions for customers and increasing cost efficiency, the Board of Lighthouse believes that Lighthouse is well placed to take advantage of the opportunities available. Against this backdrop, Lighthouse has reached

an important stage in its development given the current state of the market and the likely requirement for additional accelerated investment to deliver future earnings growth. The Board of Lighthouse has also considered the merits of being part of a larger, complementary group with enhanced scale and a wider range of capabilities to service its key customers.

Accordingly, the Board of Lighthouse has evaluated the Acquisition and concluded that its terms are fair and reasonable for the following reasons:

- the Acquisition represents an opportunity for Lighthouse Shareholders to realise value for their investment in cash at an attractive premium to the current share price;
- Intrinsic represents a natural partner for Lighthouse and there is a strong strategic and commercial rationale for a combination of the two complementary businesses;
- the Acquisition accelerates the potential strategic development of Lighthouse as part of a large and diversified wealth management business; and
- it enhances the prospects of Lighthouse for the benefit of all of its stakeholders, including Lighthouse's customers and employees.

Your attention is drawn to paragraph 4 of this Part 1 of this document in relation to Intrinsic's strategic plans and intentions with regards to Lighthouse's management, employees, places of business and other matters. Whilst some reduction in headcount is expected following the Acquisition, the Board of Lighthouse is reassured that Intrinsic has stated that it will take a "best of both" approach following comprehensive planning and engagement with the affected members of staff and/or representatives. The Board of Lighthouse is also reassured that Intrinsic stated that any affected employees would be treated fairly and in an equitable manner. The Lighthouse Directors further note that, in respect of the similar geographic footprint in the UK of the Intrinsic and Lighthouse businesses, Intrinsic intends to conduct a review of the Enlarged Group's property portfolio which may result in rationalisation of the portfolio to remove any duplication and, in particular, that it expects this to include accommodating Lighthouse's staff and advisers currently based in Lighthouse's London headquarters within Intrinsic's/Quilter's London office.

## **6. Irrevocable undertakings**

Intrinsic has received irrevocable undertakings to vote in favour (or procure a vote in favour) of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting from those Lighthouse Directors who hold Lighthouse Shares in respect of their own beneficial shareholdings, totalling 4,539,063 Lighthouse Shares, representing approximately 3.6 per cent. of the issued ordinary share capital of Lighthouse as at 12 April 2019, being the last Business Day before the date of this document.

In addition to the irrevocable undertakings received from Lighthouse Directors who hold Lighthouse Shares, Intrinsic has received irrevocable undertakings from certain Lighthouse Shareholders who hold, in aggregate, 50,966,963 Lighthouse Shares, representing approximately 39.9 per cent. of the issued ordinary share capital of Lighthouse as at 12 April 2019, being the last Business Day before the date of this document.

Intrinsic has therefore received irrevocable undertakings in respect of 55,506,026 Lighthouse Shares representing 43.5 per cent, of the issued ordinary share capital of Lighthouse as at 12 April 2019, being the last Business Day before the date of this document.

Further details of these irrevocable undertakings are set out in paragraph 8 of Part 5 of this document.

## **7. Lighthouse LTIP**

The Acquisition will extend to any Lighthouse Shares unconditionally allotted, issued or transferred prior to the Scheme Record Time to satisfy the exercise of options granted under the Lighthouse LTIP.

Further details in relation to the effect of the Acquisition on options granted under the Lighthouse LTIP can be found in paragraph 8 of Part 2 of this document. Participants in the Lighthouse LTIP will receive separate

letters explaining the effect of the Scheme on their options and the actions they may take in respect of such options.

## **8. The Scheme, the Lighthouse Meetings and the Conditions**

It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement between Lighthouse and Lighthouse Scheme Shareholders, made under Part 26 of the Companies Act (although Intrinsic reserves the right to implement the Acquisition by way of a Takeover Offer, subject to the consent of the Panel). The procedure involves, among other things, an application by Lighthouse to the Court to sanction the Scheme, in consideration for which Lighthouse Scheme Shareholders will receive the Cash Consideration. The purpose of the Scheme is to provide for Intrinsic to become the owner of the entire issued and to be issued ordinary share capital of Lighthouse.

To become Effective, the Scheme requires, among other things, the approval of a majority in number representing not less than 75 per cent. in value of the Lighthouse Shares held by relevant Lighthouse Scheme Shareholders present and voting (and entitled to vote) in person or by proxy at the Court Meeting, which is convened by order of the Court, and the passing of the Resolution necessary to implement the Acquisition at the General Meeting. The Scheme must also be sanctioned by the Court.

The Conditions in paragraph 2 of Part 3 to this document provide that the Scheme will lapse if:

- the Court Meeting and the General Meeting are not held by the 22nd day after 10 May 2019, being the expected date of the Court Meeting (or such later date as may be agreed between Intrinsic and Lighthouse and which the Court may allow); or
- the Court Hearing to approve the Scheme is not held by the 22nd day after 10 May 2019, being the expected date of the Court Hearing (or such later date as may be agreed between Intrinsic and Lighthouse and which the Court may allow).

In addition to these approvals, the Scheme is subject to (among other things) the receipt of FCA and certain antitrust approvals. The Scheme is also subject to the other terms and Conditions set out in Part 3 to this document.

Upon the Scheme becoming Effective it will be binding on all Lighthouse Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and if they attended and voted, whether or not they voted in favour) and the Cash Consideration will be dispatched by Intrinsic to Lighthouse Scheme Shareholders no later than 14 days after the Effective Date.

Once the necessary approvals from Lighthouse Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived and the Scheme has been approved by the Court, the Scheme will become Effective upon delivery of the Court Order to the Registrar of Companies. Subject to the satisfaction (or where applicable) waiver of the Conditions, the Scheme is expected to become Effective during the second quarter of 2019.

If the Scheme is not Effective on or before the Long Stop Date, the Scheme will not be implemented and the Acquisition will not proceed.

The Scheme is governed by English law and is subject to the jurisdiction of the Courts of England and Wales. The Scheme is also subject to the applicable requirements of the Takeover Code, the Panel, AIM and the FCA.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Lighthouse Scheme Shareholder opinion. You are therefore strongly urged to complete, sign and return your Forms of Proxy or transmit a proxy instruction (either electronically or through CREST) as soon as possible.**

Your attention is drawn to Part 2 of this document which contains further information with respect to the Scheme, the Lighthouse Meetings and the Conditions.



## **9. Taxation**

Your attention is drawn to Part 7 of this document which contains a summary of limited aspects of the UK tax treatment of the Scheme. That summary relates only to the position of certain categories of Lighthouse Scheme Shareholders (as explained further in Part 7 of this document), does not constitute tax advice and does not purport to be a complete analysis of all potential UK tax consequences of the Scheme. If you are in any doubt as to your tax position, or if you are subject to taxation in any jurisdiction other than the UK you are strongly advised to consult an appropriately qualified professional adviser.

## **10. Overseas Shareholders**

Persons resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom should refer to paragraph 16 of Part 2 of this document.

## **11. Action to be taken**

Details of the Lighthouse Meetings to be held and the action to be taken in respect of the Scheme are set out in paragraphs 11 and 12 of Part 2 of this document.

## **12. Recommendation**

The Lighthouse Directors, who have been so advised by Investec on the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing advice to the Lighthouse Directors, Investec has taken into account the commercial assessments of the Lighthouse Directors.

Accordingly, the Lighthouse Directors recommend unanimously that Lighthouse Shareholders vote in favour of the resolutions relating to the Acquisition at the Lighthouse Meetings (or in the event that the Acquisition is implemented by Takeover Offer, to accept or procure acceptance of such offer).

## **13. Further information**

Please read carefully the remainder of this document (and the information incorporated by reference into this document from another source), in particular the letter from Investec set out in Part 2 of this document, being the explanatory statement made in compliance with section 897 of the Companies Act. The information in this letter is not a substitute for reading the remainder of this document.

Yours faithfully

**Richard Last**  
Lighthouse Group plc

## Part 2: Explanatory Statement

(in compliance with section 897 of the Companies Act)

Investec Bank plc  
30 Gresham Street  
London  
England  
EC2V 7QP

15 April 2019

*To all holders of Lighthouse Shares, persons with information rights in Lighthouse and, for information only, to the holders of options under the Lighthouse LTIP*

Dear Lighthouse Shareholder

### **Recommended cash offer for Lighthouse by Intrinsic, a wholly-owned indirect subsidiary of Quilter**

#### **1. Introduction**

On 3 April 2019, the Boards of Quilter, Intrinsic and Lighthouse announced they had reached agreement on the terms of a recommended cash offer pursuant to which Intrinsic would acquire the entire issued and to be issued share capital of Lighthouse. The Acquisition is expected to be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

**Your attention is drawn to the letter from the Chairman of Lighthouse set out in Part 1 of this document, which forms part of this explanatory statement. The Chairman's letter contains, among other things, (a) information on the background to and reasons for the Acquisition and (b) the unanimous recommendation of the Lighthouse Directors that Lighthouse Shareholders vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting.**

The Chairman's letter also states that the Lighthouse Directors, who have been so advised by Investec on the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing advice to the Lighthouse Directors, Investec has taken into account the commercial assessments of the Lighthouse Directors.

We have been authorised by the Lighthouse Directors to write to you to explain the terms of the Acquisition and the Scheme and to provide you with other relevant information.

#### **2. The Acquisition**

The Acquisition, which is subject to the Conditions and further terms set out in Part 3 of this document, will be effected by means of the Scheme.

Under the terms of the Acquisition, Lighthouse Shareholders will receive:

**for each Lighthouse Scheme Share                    33 pence in cash**

The Acquisition values the entire issued and to be issued ordinary share capital of Lighthouse at approximately £46.2 million (£42.2 million adjusted for approximately £4 million of excess cash held on Lighthouse's balance sheet as at 31 December 2018 as estimated by Intrinsic and Quilter having regard to Intrinsic's own regulatory capital position) and represents a premium of approximately:

- 24.5 per cent. to the Closing Price of 26.5 pence per Lighthouse Share on 2 April 2019 (being the last Business Day prior to the Announcement Date);
- 30.4 per cent. to the volume-weighted average price of 25.3 pence per Lighthouse Share for the three-month period ended 2 April 2019 (being the last Business Day prior to the Announcement Date); and

- 25.6 per cent. to the volume-weighted average price of 26.3 pence per Lighthouse Share for the six-month period ended 2 April 2019 (being the last Business Day prior to the Announcement Date).

In addition to the consideration payable in connection with the Acquisition, Lighthouse Shareholders will also be entitled to receive the payment of the Pre-Close Dividend.

Intrinsic reserves the right to reduce the consideration payable in respect of each Lighthouse Share under the terms of the Acquisition to the extent that the Pre-Close Dividend exceeds 0.5 pence per Lighthouse Share. If any dividend or other distribution is announced, declared, made, payable or paid in respect of the Lighthouse Shares on or after the Announcement Date and prior to the Effective Date, other than the Pre-Close Dividend, Intrinsic reserves the right to reduce the consideration payable in respect of each Lighthouse Share by the amount of all or part of any such dividend or other distribution. If Intrinsic exercises this right or makes such a reduction in respect of a dividend or other distribution that has not been paid, Lighthouse Shareholders will be entitled to receive and retain that dividend or other distribution.

Under the Acquisition, the Lighthouse Shares will be acquired by Intrinsic fully paid and free from all liens, charges, equities, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights attaching to them as at the Announcement Date or subsequently attaching or accruing to them, including without limitation voting rights and the right to receive and retain, in full, all dividends and other distributions (if any), declared, made or paid, or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the Announcement Date and before the Effective Date, other than the Pre-Close Dividend.

### **3. Information relating to Quilter and Intrinsic**

Quilter is a leading wealth management business in the UK and operates internationally, helping to create prosperity for the generations of today and tomorrow. It has an adviser and customer offering spanning financial advice, investment platforms, multi-asset investment solutions and discretionary fund management. Quilter oversees £109.3 billion in customer investments (as at 31 December 2018). The business is comprised of two segments: Wealth Platforms and Advice and Wealth Management.

Intrinsic is a wholly-owned indirect subsidiary of Quilter. It is a restricted and independent financial adviser network providing mortgage and financial planning advice and financial solutions for both individuals and businesses through its network of intermediaries and Intrinsic's National Advice Business. Intrinsic operates across markets, from wealth management and retirement planning advice through to dealing with property wealth and personal and business protection needs. Intrinsic has over 3,500 advisers operating under its advice network, including independent financial advisers, mortgage and protection advisers and over 1,600 restricted financial planners, who deliver face-to-face financial advice tailored to meet the specific needs of the customer.

### **4. Quilter financial and trading prospects**

On 12 March 2019, Quilter released its preliminary results for the year ended 31 December 2018. The Quilter Group reported adjusted profit before tax of £233 million, an increase of 11 per cent. on the prior year. The Quilter Group reported total net fee revenue of £788 million (an increase of 8 per cent. on prior year) and costs of £555 million (an increase of 7 per cent. on prior year) delivering an improvement in the Operating Margin to 30 per cent. Revenue margins increased by 1 basis point to 57 basis points. As at 31 December 2018, the holding company cash balance (which comprises the cash balance in the three holding companies within the Quilter Group, being Quilter plc, Old Mutual Wealth Holdings Limited and Old Mutual Wealth UK Holding Limited) was £416 million.

### **5. Financial effects of the Acquisition on the Quilter Group**

Completion of the Acquisition would result in the earnings, assets and liabilities of the Lighthouse Group being consolidated into the earnings, assets and liabilities of the Quilter Group. This is expected by Quilter to have a positive impact on the earnings and assets of the Quilter Group.

Intrinsic expects there to be approximately £2 million of annualised cost savings from the Acquisition by the end of the second fiscal year following completion of the Acquisition. These savings are expected to be generated through the elimination of administrative costs associated with Lighthouse's current status as a listed company and the rationalisation of duplicated functions. Taking into account these savings on a run-rate basis, the terms of the Acquisition would represent an acquisition multiple of approximately 10 times Lighthouse's profit after tax (on an excess cash-adjusted basis) for the financial year ended 31 December 2018. The combination of expected cost savings and revenue growth resulting from the combination of Lighthouse with Intrinsic's Adviser & Wealth business means that Quilter's management's previous guidance on operating margin improvement from optimisation announced with the full year results is unchanged.

## **6. Information relating to Lighthouse Group**

Lighthouse is an AIM-quoted group of approximately 400 financial advisers providing financial advice to retail and corporate customers across the UK through three principal operating divisions: (i) its national affinity business, which is a market leader for the provision of advice to members of affinity groups, with 23 contractual relationships whose aggregate membership exceeds six million individuals; (ii) its wealth advisory business, working with clients of approximately 40 accountancy and professional connections and higher net worth customers across the South of England; and (iii) appointed representatives servicing customers in their local communities.

## **7. Lighthouse financial and trading prospects**

On 13 March 2019, Lighthouse released its Annual Report and Financial Statements for the year ended 31 December 2018. In addition to the matters set out in paragraph 5 of Part 1, the key highlights included:

- underlying EBITDA for the year was up 7 per cent. to £3.42 million (2017: £3.19 million);
- revenues of £53.42 million (2017: £54.11 million) with recurring revenues generated from clients up 10 per cent. to £26.77 million (2017: £24.39 million);
- adjusted basic earnings per share (after a standard tax charge) increased by 6 per cent. to 1.68 pence per Lighthouse Share (2017: 1.59 pence per Lighthouse Share);
- cash balances were up 9 per cent. to £9.55 million (2017: £8.73 million); and
- Lighthouse entered into a strategic relationship with, and completed a £1 million investment in, Tavistock Investments plc, an AIM-quoted advisory and asset management group.

## **8. Effect of the Acquisition on the Lighthouse LTIP**

The Acquisition will extend to any Lighthouse Shares unconditionally allotted, issued or transferred before the Scheme Record Time to satisfy the exercise of options granted under the Lighthouse LTIP.

Participants in the Lighthouse LTIP will receive letters, explaining the effect of the Scheme on their options. To the extent not already vested, options under Lighthouse LTIP will vest and become exercisable as a consequence of the Scheme upon the Court Order being made.

## **9. The effect of the Acquisition on the Lighthouse Directors**

The Lighthouse Shares held by the Lighthouse Directors will be subject to the Scheme. Details of the interests of the Lighthouse Directors in the relevant securities of Lighthouse are set out in paragraph 5 of Part 5 of this document. It is expected that each of the Non-Executive Directors of Lighthouse will resign from the Board of Lighthouse on or shortly after the Scheme has become Effective. Particulars of the Lighthouse Directors' service agreements are set out in paragraph 6 of Part 5 of this document.

Each of the Lighthouse Directors who hold Lighthouse Shares have irrevocably undertaken to vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting in respect of the Lighthouse Shares in which they are each interested. Further details of these irrevocable undertakings are set out in paragraph 8 of Part 5 of this document.

In accordance with the proposals being put to the participants under the Lighthouse LTIP, Malcolm John Streatfield, Peter James Smith and Kenneth George Paterson will be entitled to exercise the options granted to them under the Lighthouse LTIP upon the Court Order being made. These options are detailed in paragraph 5 of Part 5 of this document.

Save as set out above, the effect of the Scheme on the interests of the Lighthouse Directors does not differ from its effect on the interests of any other holder of Lighthouse Shares.

## **10. Financing of the Acquisition**

The consideration payable to Lighthouse Shareholders pursuant to the Acquisition will be financed from Intrinsic's existing cash reserves.

J.P. Morgan Cazenove is satisfied that sufficient resources are available to Intrinsic to satisfy in full the Cash Consideration payable pursuant to the terms of the Acquisition.

## **11. The Scheme, the Lighthouse Meetings and the Conditions**

### **11.1 *Structure of the Scheme***

The Acquisition is being effected by means of the Scheme, although Intrinsic reserves the right to elect to implement the Acquisition by means of a Takeover Offer (subject to Panel consent).

The purpose of the Scheme is for Intrinsic to become the owner of the entire issued and to be issued ordinary share capital of Lighthouse. Following the Scheme becoming Effective, the Lighthouse Scheme Shares will be transferred to Intrinsic, in consideration for which Lighthouse Scheme Shareholders whose names appear on the register of members of Lighthouse at the Scheme Record Time will receive 33 pence per Lighthouse Scheme Share in cash. In addition, the Lighthouse Shares held by the Connected Holder will transfer to Intrinsic pursuant to the terms of the Scheme.

To become Effective, the Scheme requires, among other things, the approval of the requisite majorities of Lighthouse Scheme Shareholders at the Court Meeting and the passing of the Resolution by Lighthouse Shareholders at the General Meeting.

Following the Lighthouse Meetings and the satisfaction (or, where applicable, waiver) of the other Conditions, the Scheme must also be sanctioned by the Court. The Scheme will become Effective only upon a copy of the Court Order being delivered to the Registrar of Companies.

It is expected that the Scheme will become Effective during the second quarter of 2019, subject to the satisfaction or (where applicable) waiver of the Conditions.

Any adjournment of a Lighthouse Meeting or the Court Hearing, or a decision by Lighthouse to propose such an adjournment, will be announced promptly by Lighthouse through a Regulatory Information Service. If the meeting or hearing is adjourned to a specified date, the announcement will set out the relevant details of the adjourned meeting or hearing. If no such date is specified the adjourned date will be announced separately.

Further details of the Lighthouse Meetings and the Conditions are set out in paragraphs 11.2 to 11.10 below.

### **11.2 *The Lighthouse Meetings***

The Scheme will require the approval of the Lighthouse Scheme Shareholders at the Court Meeting to be held at the offices of DLA Piper UK LLP at 160 Aldersgate Street, London EC1A 4HT at 10.00 am on 10 May 2019. The Scheme will also require the approval of Lighthouse Shareholders of the Resolution at the General Meeting to be held at the same place at 10.15 on 10 May 2019 (or as soon thereafter as the Court Meeting has concluded or been adjourned). Notices of the Lighthouse Meetings are set out in Part 9 and Part 10 of this document.

Whether or not you vote in favour of the resolutions to be proposed at the Lighthouse Meetings, if the Scheme becomes Effective, your Lighthouse Scheme Shares will be transferred to Intrinsic and you will receive the Cash Consideration due under the terms of the Acquisition.

As soon as practicable and, in any event, by no later than 8.00 am on the Business Day following the Lighthouse Meetings, Lighthouse shall make an announcement through a Regulatory Information Service stating whether or not the resolutions put to shareholders at the Lighthouse Meetings were passed by the requisite majorities (and, if not, whether or not the Scheme has lapsed) and giving voting results in relation to the Lighthouse Meetings.

### 11.3 *Court Meeting*

The Court Meeting is being held at the direction of the Court and has been convened to enable the Lighthouse Scheme Shareholders to consider and, if thought fit, approve the Scheme. At the Court Meeting, voting will be by poll and each Lighthouse Scheme Shareholder present (in person or by proxy) and entitled to vote, will be entitled to one vote for each Lighthouse Scheme Share held by him.

The approval required at the Court Meeting is the approval of a majority in number of the Lighthouse Scheme Shareholders present and voting (and entitled to vote), either in person or by proxy, at the Court Meeting (or any adjournment thereof), representing not less than 75 per cent. in value of the Lighthouse Scheme Shares held by such Lighthouse Scheme Shareholders.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Lighthouse Scheme Shareholder opinion. You are therefore strongly urged to complete, sign and return your Forms of Proxy or transmit a proxy instruction (either electronically or through CREST) as soon as possible.**

### 11.4 *General Meeting*

The General Meeting has been convened to enable all Lighthouse Shareholders to consider and, if thought fit, approve the Resolution to authorise:

- the Lighthouse Directors to effect the Scheme; and
- certain amendments to the Lighthouse Articles (as described below).

The Resolution will require votes in favour of not less than 75 per cent. of the votes cast by Lighthouse Shareholders voting in person or by proxy at the General Meeting in order to be passed.

The Resolution, if passed, will authorise certain amendments to the Lighthouse Articles required in connection with the Scheme. The proposed amendments will provide, amongst other things, that subject to the implementation of the Scheme, any Lighthouse Shares issued to any person (other than Intrinsic or its nominee(s)) on or after the Scheme Record Time will be immediately transferred to Intrinsic, in consideration of the payment of the same consideration per Lighthouse Share as was due to a holder of Lighthouse Scheme Shares under the Scheme. This will avoid any person (other than Intrinsic or its nominee(s)) being left with Lighthouse Shares after such shares have ceased trading on AIM, which is expected to occur at 5.00 pm on the Business Day following the Court Hearing. The proposed changes to the Lighthouse Articles are contained in the notice of the General Meeting set out in Part 10 of this document.

### 11.5 *Entitlement to vote at the Lighthouse Meetings*

Each holder of Lighthouse Scheme Shares whose name appears on the register of members of Lighthouse at the Voting Record Time, other than the Connected Holder, will be entitled to attend and vote at the Court Meeting. Each holder of Lighthouse Shares whose name appears on the register of members of Lighthouse at 6.00 pm on 8 May 2019 will be entitled to attend and vote at the General Meeting. If either Lighthouse Meeting is adjourned, only those Lighthouse Scheme Shareholders (in

the case of the Court Meeting), other than the Connected Holder, and Lighthouse Shareholders (in the case of the General Meeting) on the register of members of Lighthouse at 6.00 pm on the day which is two days before the adjourned meeting will be entitled to attend and vote.

Each Lighthouse Shareholder is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him or her. A proxy need not be a Lighthouse Shareholder. Please see paragraph 12 of this Part 2 of this document for further information on actions to be taken in order to vote at the Lighthouse Meetings and to appoint proxies.

#### 11.6 *Sanction of the Scheme by the Court*

If the resolutions are passed at the Lighthouse Meetings, and the other Conditions are satisfied (or where applicable) waived, the Scheme will also require the sanction of the Court. The Court Hearing is expected to be held during the second quarter of 2019.

As soon as possible following the Court Hearing, Lighthouse shall make an announcement through a Regulatory Information Service stating the decision of the Court and details of whether the Scheme will proceed or has lapsed.

All Lighthouse Scheme Shareholders are entitled to attend the Court Hearing in person or to be represented by Counsel to support or oppose the sanctioning of the Scheme.

Intrinsic, Quilter and the Connected Holder shall undertake to the Court to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to the Scheme.

#### 11.7 *Conditions*

The Conditions to the Acquisition and the Scheme are set out in Part 3 of this document. The Acquisition is conditional upon the Scheme becoming unconditional and Effective, subject to the Takeover Code, before 11.59 pm on the Long-Stop Date. In summary, the Scheme is conditional, amongst other things, upon:

- the approval of the Scheme by a majority in number representing not less than 75 per cent. in value of the Lighthouse Scheme Shareholders (or the relevant class or classes thereof, if applicable) present, entitled to vote and voting, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court (or any adjournment thereof); and
- such Court Meeting and any separate class meeting which may be required by the Court or any adjournment of any such meeting being held on or before the 22nd day after 10 May 2019, being the expected date of the Court Meeting (or such later date, if any, as may be agreed between Intrinsic and Lighthouse and which the Court may allow); and
- all resolutions necessary to approve and implement the Scheme being duly passed by the requisite majority or majorities at the General Meeting (or any adjournment thereof); and
- the General Meeting or any adjournment of such meeting being held on or before the 22nd day after 10 May 2019, being the expected date of the General Meeting (or such later date, if any, as may be agreed between Intrinsic and Lighthouse and which the Court may allow); and
- the sanction of the Scheme with or without modification (but subject to any such modification being acceptable to Intrinsic and Lighthouse) by the Court; and
- the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing to be set out in the document in due course (or such later date, if any, as may be agreed between Intrinsic and Lighthouse and which the Court may allow); and
- the delivery of a copy of the Court Order to the Registrar of Companies; and

- either: (a)(i) as at the date on which all other Conditions are satisfied or waived, the CMA having neither requested submission of a Merger Notice nor opened a CMA Merger Investigation; or (ii) the CMA having indicated, in terms reasonably satisfactory to Intrinsic, that the CMA or, as the case may be, the Secretary of State for Business Energy and Industrial Strategy does not intend to make a Phase 2 CMA Reference; or (iii) if there is a referral to the EC pursuant to Article 22(1) of the EUMR to review all of the Acquisition and such a request being accepted either (A) the EC having declared the Acquisition to be compatible with the common market pursuant to Article 6(1)(b) of the EUMR; or (B) the Acquisition having been deemed compatible with the common market pursuant to Article 10(6) of the EUMR; and (b) if there is a referral to the EC pursuant to Article 22(1) of the EUMR to review part of the Acquisition and such a request being accepted, either: (A) the EC having declared the Acquisition to be compatible with the common market pursuant to Article 6(1)(b) of the EUMR in respect of all parts of the Acquisition which were the subject of such a request; or (B) all parts of the Acquisition which were the subject of the request having been deemed compatible with the common market pursuant to Article 10(6) of the EUMR; and
- in respect of each notice under section 178 of FSMA made in connection with the Acquisition: (i) the FCA approving the acquisition or increase in control pursuant to section 185 of FSMA; or (ii) in relation to the acquisition or increase in control, the FCA having given notice in writing pursuant to section 189(7) of FSMA, subject to condition(s) specified in the decision notice and such conditions being satisfactory to Intrinsic acting reasonably; or (iii) the FCA being treated, under section 189(6) of FSMA, as having approved each such acquisition or increase in control; and
- the other Conditions not otherwise identified above (and set out in Part 3 of this document) being satisfied or (where applicable) waived.

If the Condition that the Scheme must become unconditional and effective on or before the Long-Stop Date, or any Condition referred to in paragraph 2 of Section 1 of Part 3 of this document is not capable of being satisfied by the date specified therein, Intrinsic shall make an announcement through a Regulatory Information Service as soon as practicable and, in any event, by not later than 8.00 am on the Business Day following the date so specified, stating whether Intrinsic has invoked that Condition, waived that Condition or, with the agreement of Lighthouse, specified a new date by which that Condition must be satisfied.

#### 11.8 *Effective Date*

The Scheme will become Effective upon the delivery of a copy of the Court Order to the Registrar of Companies. This is expected to occur during the second quarter of 2019.

As soon as practicable on the Effective Date, Lighthouse or Intrinsic shall make an announcement through a Regulatory Information Service stating that the Scheme has become Effective.

**Upon the Scheme becoming Effective, it will be binding on all Lighthouse Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and, if they attended and voted, whether or not they voted in favour).**

If the Scheme is not Effective by the Long-Stop Date (or such later date (if any) as Lighthouse and Intrinsic may, with the consent of the Panel, agree and (if required) the Court may allow), the Scheme will not be implemented and the Acquisition will not proceed.

#### 11.9 *Return of documents of title*

If the Scheme lapses or is withdrawn, all documents of title lodged by any Lighthouse Scheme Shareholder with any Form of Proxy shall be returned to such Lighthouse Scheme Shareholder as soon as practicable (and in any event within 14 days of such lapsing or withdrawal) and to the extent that any securities of Lighthouse are held in escrow by Link Asset Services in connection with the Scheme, instructions shall be given immediately for the release of such securities.



### 11.10 *Modifications and revision*

The Scheme contains a provision for Intrinsic and Lighthouse jointly to consent on behalf of all persons affected to any modification of, or addition to, the Scheme or to any condition approved or imposed by the Court. The Court would be unlikely to approve any modification of, or additions to, or impose a condition to the Scheme which might be material to the interests of Lighthouse Scheme Shareholders unless Lighthouse Scheme Shareholders were informed of any modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Lighthouse Scheme Shareholders should be held in these circumstances.

Intrinsic reserves the right to elect, with the consent of the Panel (where necessary), to implement the Acquisition by means of a Takeover Offer. In such event, the Acquisition will be implemented on substantially the same terms subject to appropriate amendments, including (without limitation) an acceptance condition set at 90 per cent. of the Lighthouse Shares to which such offer relates (or such other percentage, being more than 50 per cent. of the Lighthouse Shares carrying voting rights, as Intrinsic in its sole discretion may decide), so far as applicable, as those which would apply to the Scheme. The Panel will determine the offer timetable that will apply following any switch to a Takeover Offer to which it consents. Intrinsic must announce a switch to a Takeover Offer through a Regulatory Information Service. Any such announcement must include:

- details of all changes in terms and conditions of the Acquisition;
- details of any material changes to other details of the Acquisition;
- an explanation of the offer timetable following the switch to a Takeover Offer; and
- an explanation of whether irrevocable undertakings will remain valid following the switch to a Takeover Offer.

Any modification or revision to the Scheme shall be made no later than the date which is 14 days prior to the date of the Lighthouse Meetings (or any later date to which such meetings are adjourned). The consent of the Panel must be obtained if it is proposed to revise the Scheme (i) less than 14 days prior to the date of the Lighthouse Meetings (or any later date to which such meetings are adjourned) or (ii) following the Lighthouse Meetings.

### 12. *Action to be taken*

Notices of the Lighthouse Meetings are set out in Parts 9 and 10 of this document. You will also find enclosed with this document:

- a WHITE Form of Proxy for use at the Court Meeting;
- a YELLOW Form of Proxy for use at the General Meeting; and
- a reply-paid envelope for use in the United Kingdom.

Whether or not you plan to attend the Lighthouse Meetings, please complete the Forms of Proxy in accordance with the instructions printed on them and to return them to: Link Asset Services at PXS1, 34 Beckenham Road, Beckenham BR3 4ZF as soon as possible and, in any event, so as to be received by no later than:

- **10.00 am on 8 May 2019 in the case of the WHITE Form of Proxy for the Court Meeting; and**
- **10.15 am on 8 May 2019 in the case of the YELLOW Form of Proxy for the General Meeting,**

(or, in the case of any adjournment, not later than 48 hours before the time fixed for the adjourned meeting). A reply-paid envelope has been provided for use in the United Kingdom only. The Scheme requires approval at both the Court Meeting and the General Meeting.

If the WHITE Form of Proxy for the Court Meeting is not received by Link Asset Services by 10.00 am on 8 May 2019, it may be handed to the Chairman of the Court Meeting before the taking of the poll at the Court Meeting. However, if the YELLOW Form of Proxy for the General Meeting is not received by Link Asset Services by 10.15 am on 8 May 2019, it will be invalid.

If you hold your Lighthouse Shares in CREST, you may vote using the CREST voting service in accordance with the procedures set out in the CREST Manual via CREST (please also refer to the accompanying notes on the notices of the Lighthouse Meetings set out in Parts 9 and 10 of this document and in the Forms of Proxy).

Proxies submitted electronically through CREST must be sent as soon as possible, and in any event, so as to be received by no later than 10.00 am on 8 May 2019 in the case of the Court Meeting and by no later than 10.15 am on 8 May 2019 in the case of the General Meeting (or in the case of any adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

Lighthouse Shareholders entitled to attend and vote at the Lighthouse Meetings may appoint a proxy electronically by logging on to [www.signalshares.com](http://www.signalshares.com), selecting "Register for the Share Portal" and entering "Lighthouse" in the box provided. "Lighthouse" will be presented on the next screen and you should click on this. Once you have clicked on this, you should follow the prompts on the screen by entering your surname, investor code (which is shown on the personalised Forms of Proxy), postcode, email address and selecting a password. Once you have registered, you will have the opportunity to appoint a proxy online. For an electronic proxy to be valid, your appointment must be received by Link Asset Services no later than 48 hours before the time and date set for the relevant meeting.

The Court Meeting and the General Meeting will be held at the offices of DLA Piper UK LLP at 160 Aldersgate Street, London EC1A 4HT at 10.00 am and 10.15 am respectively, on 10 May 2019.

If you propose to attend the Lighthouse Meetings, please detach from the Forms of Proxy and bring with you the attendance slip to assist your admission.

Completing and returning the Forms of Proxy, completing and transmitting a CREST Proxy Instruction or appointing a proxy electronically will not prevent you from attending and voting in person at the Lighthouse Meetings, or any adjournment of the Lighthouse Meetings, if you so wish and are so entitled.

**It is particularly important that as many votes as possible are cast at the Court Meeting so that the Court may be satisfied that there is a fair representation of Lighthouse Scheme Shareholder opinion. You are therefore strongly urged to return your Forms of Proxy or transmit a proxy instruction (either electronically or through CREST) as soon as possible.**

### **13. Settlement and share certificates**

Subject to the Scheme becoming Effective, settlement of the consideration to which any Lighthouse Scheme Shareholder is entitled under the Scheme will be effected within 14 days of the Effective Date in the manner set out below.

Except with the consent of the Panel, settlement of consideration to which any Lighthouse Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which Intrinsic may otherwise be, or claim to be, entitled against such Lighthouse Scheme Shareholder.

#### **13.1 *Consideration where Lighthouse Scheme Shares are held in uncertificated form (that is, in CREST)***

A Lighthouse Scheme Shareholder who holds Lighthouse Scheme Shares at the Scheme Record Time in uncertificated form will receive any consideration to which it is entitled under the Scheme through CREST by Intrinsic procuring the creation of an assured payment obligation in favour of the appropriate CREST account through which the relevant Lighthouse Scheme Shareholder holds such uncertificated Lighthouse Scheme Shares in respect of the consideration due to him.

As at the close of trading on the last day of dealings in Lighthouse Shares prior to the Effective Date, there may be unsettled, open trades for the sale and purchase of Lighthouse Shares within CREST. Lighthouse Scheme Shares that are the subject of such unsettled trades will be treated under the Scheme in the same way as any other Lighthouse Scheme Share registered in the name of the relevant seller under that trade. Consequently, those Lighthouse Scheme Shares will be transferred under the Scheme and the seller will receive the appropriate consideration in accordance with the terms of the Scheme.

As from the Effective Date, each holding of Lighthouse Scheme Shares credited to any stock account in CREST shall be disabled and all Lighthouse Scheme Shares will be removed from CREST in due course thereafter.

Intrinsic reserves the right to pay all or any part of the consideration referred to above to all or any Scheme Shareholder(s) who hold(s) Lighthouse Scheme Shares in uncertificated form at the Scheme Record Time in the manner referred to in paragraph 13.2 of this Part 2 if, for reasons outside its reasonable control, it is not able to effect settlement in uncertificated form in accordance with this paragraph 13.1.

### **13.2 *Consideration where Lighthouse Scheme Shares are held in certificated form***

Settlement of the consideration in respect of Lighthouse Scheme Shares held in certificated form at the Scheme Record Time shall be despatched:

- by first-class post (or international standard post, if overseas), by cheque drawn on a branch of a UK clearing bank; or
- by such other method as may be approved by the Panel.

All such cash payments shall be made in pounds sterling. Payments made by cheque shall be payable to the Lighthouse Scheme Shareholders concerned. Cheques shall be despatched as soon as practicable and within 14 days after the Effective Date to the persons entitled thereto at their respective addresses as appearing in the register of members of Lighthouse at the Scheme Record Time, or in the case of joint holders, at the address of that member that stands first in the register of members in respect of that holding. None of Lighthouse, Intrinsic or any of their respective nominees or agents shall be responsible for any loss or delay in the transmission of cheques sent in this way, and such cheques shall be sent at the risk of the person entitled thereto.

On the Effective Date, each certificate representing a holding of Lighthouse Scheme Shares in the name of someone other than Intrinsic will cease to be valid. Following settlement of the consideration to which Lighthouse Scheme Shareholders are entitled under the Scheme, such Scheme Shareholder will be bound on the request of Lighthouse either (i) to destroy such certificate(s); or (ii) return such certificate(s) to Lighthouse, or to any person appointed by Lighthouse for cancellation.

### **13.3 *Consideration where Lighthouse Scheme Shares acquired by directors or employees of the Lighthouse Group pursuant to the exercise of options under the Lighthouse LTIP***

In the case of Lighthouse Scheme Shares acquired by directors or employees of the Lighthouse Group on the exercise of options under the Lighthouse LTIP, settlement of the consideration shall be made directly into the relevant director or employee bank account through payroll within 14 days after the Effective Date in accordance with the Optionholder Letters.

## **14. Cancellation of admission to trading and re-registration**

An indicative timetable of principal events setting out, among other things, the expected date of the last day of trading in, and the suspension of, Lighthouse Shares on AIM is on page 9 of this document.

The last day of dealings in Lighthouse Shares on AIM is expected to be the Business Day immediately following the Court Hearing and no transfers will be registered after 5.00 pm on that date (other than the registration of Lighthouse Shares released, transferred or issued under the Lighthouse LTIP). Lighthouse will

make an application to the London Stock Exchange for the suspension of dealings in Lighthouse Shares on AIM with effect from 5.00 pm the Business Day immediately following the Court Hearing.

Prior to the Effective Date, Lighthouse will make an application to the London Stock Exchange for the cancellation of the admission to trading of the Lighthouse Shares on AIM.

Following the Scheme becoming Effective, it is also proposed that Lighthouse be re-registered as a private limited company.

#### **15. United Kingdom taxation**

Your attention is drawn to Part 7 of this document relating to United Kingdom taxation. Lighthouse Shareholders who are in any doubt about their taxation position or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom are strongly advised to contact an appropriate independent professional tax adviser immediately.

#### **16. Overseas Shareholders**

This document has been prepared in accordance with English law, the Takeover Code, the Market Abuse Regulation, the AIM Rules and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

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

Copies of this document and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. If the Acquisition is implemented by way of a Takeover Offer (unless otherwise determined by Intrinsic and permitted by applicable law and regulation), the Takeover Offer may not be communicated, directly or indirectly, in or into or by the use of the mails of, or by any other means or instrumentality (including, without limitation, by mail, telephonically or electronically by way of internet or otherwise) of interstate or foreign commerce of, or any facilities of a national, state or securities exchange of, any Restricted Jurisdiction and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or otherwise.

The Acquisition is subject to the applicable requirements of the Takeover Code, the Panel, AIM and the FCA.

#### **17. Further information**

Your attention is drawn to the full text of the Scheme as set out in Part 6 (The Scheme of Arrangement) of this document.

Your attention is also drawn to the following parts of this document, which are deemed to form part of this explanatory statement: Part 3 (Conditions and further terms of the Acquisition and the Scheme); Part 4 (Financial and ratings information); Part 5 (Additional Information); Part 9 (Notice of Court Meeting); and Part 10 (Notice of General Meeting).

Yours faithfully

**Andrew Pinder**  
Investec Bank plc

## **Part 3: Conditions and further terms of the Acquisition and the Scheme**

### **Section 1: Conditions to the Acquisition and the Scheme**

1. The Acquisition is conditional upon the Scheme becoming unconditional and Effective, subject to the Takeover Code, on or before 11.59 pm on the Long-Stop Date.

### **Scheme approval**

2. The Scheme is conditional upon:
  - (a)
    - (i) the approval of the Scheme by a majority in number representing not less than 75 per cent. in value of the Lighthouse Shares held by Lighthouse Shareholders (or the relevant class or classes thereof, if applicable) present, entitled to vote and voting, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court (or any adjournment thereof); and
    - (ii) such Court Meeting and any separate class meeting which may be required by the Court or any adjournment of any such meeting being held on or before the 22nd day after 10 May 2019, being the expected date of the Court Meeting set out in this document (or such later date, if any, as may be agreed between Intrinsic and Lighthouse and which the Court may allow); and
  - (b)
    - (i) all resolutions necessary to approve and implement the Scheme being duly passed by the requisite majority or majorities at the General Meeting (or any adjournment thereof); and
    - (ii) the General Meeting or any adjournment of such meeting being held on or before the 22nd day after 10 May 2019, being the expected date of the General Meeting set out in this document (or such later date, if any, as may be agreed between Intrinsic and Lighthouse and which the Court may allow); and
  - (c)
    - (i) the sanction of the Scheme with or without modification (but subject to any such modification being acceptable to Intrinsic and Lighthouse) by the Court; and
    - (ii) the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing set out in this document (or such later date, if any, as may be agreed between Intrinsic and Lighthouse and which the Court may allow); and
  - (d) the delivery of a copy of the Court Order to the Registrar of Companies.

In addition, Intrinsic and Lighthouse have agreed that the Acquisition is conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

### **CMA competition clearance**

3. (a) Either:
  - (i) as at the date on which all other Conditions are satisfied or waived, the CMA having neither requested submission of a Merger Notice nor opened a CMA Merger Investigation; or

- (ii) the CMA having indicated, in terms reasonably satisfactory to Intrinsic, that the CMA or, as the case may be, the Secretary of State for Business, Energy and Industrial Strategy does not intend to make a CMA Phase 2 Reference; or
  - (iii) in the event that any Member State of the EU requests a referral to the EC pursuant to Article 22(1) of the EUMR to review all of the Acquisition and such a request being accepted either: (i) the EC having declared the Acquisition to be compatible with the common market pursuant to Article 6(1)(b) of the EUMR; or (ii) the Acquisition having been deemed compatible with the common market pursuant to Article 10(6) of the EUMR; and
- (b) in the event that any Member State of the EU requests a referral to the EC pursuant to Article 22(1) of the EUMR to review part of the Acquisition and such a request being accepted either: (i) the EC having declared the Acquisition to be compatible with the common market pursuant to Article 6(1)(b) of the EUMR in respect of all parts of the Acquisition which were the subject of such a request; or (ii) all parts of the Acquisition which were the subject of the request having been deemed compatible with the common market pursuant to Article 10(6) of the EUMR.

#### **FCA approvals**

4. In respect of each notice under section 178 of FSMA which Intrinsic or any other person who has decided to acquire or increase control over any member of the Wider Lighthouse Group which is a UK authorised person (as such term is defined in section 191G of FSMA) is under a duty to give in connection with the proposed implementation of the Acquisition:
- (a) the FCA having given notice in writing pursuant to section 189(4)(a) of FSMA that it has determined unconditionally to approve each such acquisition or increase in control pursuant to section 185 of FSMA;
  - (b) in relation to such acquisition or increase in control, the FCA having given notice in writing pursuant to section 189(7) of FSMA subject to condition(s) specified in the decision notice and such condition(s) being satisfactory to Intrinsic, acting reasonably; or
  - (c) the FCA being treated, under section 189(6) of FSMA, as having approved each such acquisition or increase in control.

#### **Other Third Party clearances**

5. Other than in respect of Conditions 3 and 4 above, no relevant government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, association, institution, any entity owned or controlled by any relevant government or state, or any other similar body or person whatsoever in any jurisdiction (each a Third Party) having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision, order or change to published practice, or having taken any other steps (in each case, not having withdrawn the same) (in each case which would be material in the context of the Wider Intrinsic Group or Wider Lighthouse Group, as the case may be, taken as a whole) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
- (a) make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Lighthouse Group by any member of the Wider Intrinsic Group void, illegal and/or unenforceable under the laws of any jurisdiction, or otherwise directly or indirectly prevent, prohibit, or restrain, restrict, impede, materially challenge, delay or otherwise interfere with the implementation of, or impose additional material conditions or material obligations with respect thereto or otherwise challenge or interfere therewith;

- (b) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Intrinsic Group directly or indirectly to acquire or hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or loans or other securities convertible into shares or any other securities (or the equivalent) in Lighthouse (or any member of the Wider Lighthouse Group) or to exercise management control over, any member of the Wider Lighthouse Group;
- (c) require, prevent or delay the divestiture or alter the terms envisaged for any proposed divestiture by any member of the Wider Intrinsic Group or by any member of the Wider Lighthouse Group of all or any part of their respective businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their respective businesses (or any part thereof) or to own, control or manage any of their respective assets or properties or any part thereof which, in any such case, is material in the context of the Wider Intrinsic Group or the Wider Lighthouse Group, in either case taken as a whole;
- (d) other than pursuant to sections 974 to 991 of the Companies Act and the implementation of the Scheme, require any member of the Wider Intrinsic Group or the Wider Lighthouse Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Lighthouse Group owned by any third party;
- (e) require, prevent or materially delay a divestiture by any member of the Wider Intrinsic Group of any shares, securities or other interests in any member of the Wider Lighthouse Group (in each case to an extent which is material in the context of the Wider Intrinsic Group or the Wider Lighthouse Group, in each case, taken as a whole);
- (f) result in any member of the Wider Lighthouse Group or the Wider Intrinsic Group ceasing to be able to carry on business under any name under which it presently does so (in each case to an extent which is material in the context of the Wider Intrinsic Group or the Wider Lighthouse Group, in each case, taken as a whole);
- (g) impose any limitation on, or result in any delay of, the ability of any member of the Wider Intrinsic Group or any member of the Wider Lighthouse Group to integrate or co ordinate all or any part of their respective businesses with all or any part of the business of any other member of the Wider Intrinsic Group and/or the Wider Lighthouse Group in a manner which is material in the context of the Wider Intrinsic Group and/or the Wider Lighthouse Group, in either case, taken as a whole; or
- (h) otherwise adversely affect the business, assets, value, profits, prospects or operational performance of any member of the Wider Lighthouse Group or any member of the Wider Intrinsic Group to an extent which is material in the context of the Wider Intrinsic Group or the Wider Lighthouse Group, in either case taken as a whole.

If there are any waiting or other time periods (including any extensions thereof) during which a Third Party could take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or proposed acquisition of any Lighthouse Shares or otherwise intervene, this waiting or other time period must have expired, lapsed or been terminated.

6. Other than in relation to the FCA and competition law approvals referred to in Conditions 3 and 4 above, all notifications, filings or applications which are necessary or reasonably considered appropriate by Intrinsic or any member of the Wider Intrinsic Group having been made in connection with the Acquisition and all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with in respect of the Acquisition and all Authorisations which are necessary or reasonably considered appropriate by Intrinsic or any member of the Wider Intrinsic Group in any jurisdiction for or in respect of the Acquisition or the proposed acquisition of any shares or other

securities in, or control of, Lighthouse by any member of the Wider Intrinsic Group having been obtained in terms and in a form reasonably satisfactory to Intrinsic from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Lighthouse Group has entered into contractual arrangements and all such Authorisations which are necessary or reasonably considered appropriate by Intrinsic or any member of the Wider Intrinsic Group to carry on the business of any member of the Wider Lighthouse Group in any jurisdiction having been obtained in each case where the consequence of a failure to make such notification or filing or to wait for the expiry, lapse or termination of any such waiting or other time period or to comply with such obligation or obtain such Authorisation would be unlawful in any relevant jurisdiction or have a material adverse effect on the Wider Lighthouse Group, any member of the Intrinsic Group or the ability of Intrinsic to implement the Scheme and all such Authorisations remaining in full force and effect at the time at which the Scheme becomes otherwise unconditional and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations.

#### **Confirmation of absence of adverse circumstances**

7. Except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Lighthouse Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, in each case as a consequence of the Acquisition or the proposed acquisition by any member of the Wider Intrinsic Group of any shares or other securities in Lighthouse or because of a change in the control or management of any member of the Wider Lighthouse Group or otherwise, would or might reasonably be expected to result in (in each case to an extent which is or would be material in the context of the Wider Lighthouse Group as a whole):
- (a) any monies borrowed by, or any other indebtedness or liabilities (including, without limitation, guarantees, letters of credit and hedging contracts), actual or contingent of, or any grant available to, any member of the Wider Lighthouse Group being or becoming repayable, or capable of being declared repayable immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
  - (b) any such arrangement, agreement, licence, permit, lease or instrument, or the rights, liabilities, obligations or interests of any member of the Wider Lighthouse Group thereunder being or becoming capable of being terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken or arising thereunder;
  - (c) any member of the Wider Lighthouse Group ceasing to be able to carry on business under any name under which it presently does so;
  - (d) any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Lighthouse Group being or falling to be disposed of or charged or ceasing to be available to any member of the Wider Lighthouse Group or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Lighthouse Group otherwise than in the ordinary course of business;
  - (e) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Lighthouse Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen), becoming enforceable;
  - (f) the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Lighthouse Group being materially prejudiced or adversely affected;



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

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Lighthouse Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, could result in any of the events or circumstances as are referred to in sub-paragraphs (a) to (h) of this Condition, in each case, to an extent which is material in the context of the Wider Lighthouse Group taken as a whole.

**No material transactions, claims or changes in the conduct of the business of the Lighthouse Group**

8. Except as Disclosed, no member of the Wider Lighthouse Group having since 31 December 2018:

- (a) save as between Lighthouse and wholly-owned subsidiaries of Lighthouse or for Lighthouse Shares issued pursuant to the exercise of options or vesting of awards granted in the ordinary course under the Lighthouse LTIP, issued or agreed to be issued or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities;
- (b) other than to another member of the Lighthouse Group, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus issue, dividend or other distribution (whether payable in cash or otherwise) save for the Pre-Close Dividend;
- (c) save for Intra-Lighthouse Group Transactions, merged or demerged with any body corporate or acquired or disposed of any body corporate, partnership or business or acquired or disposed of, or transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so, in each case, other than in the ordinary course of business;
- (d) save for Intra-Lighthouse Group Transactions, made, authorised, proposed or announced an intention to propose any change in its loan capital in each case, to the extent which is material in the context of the Wider Lighthouse Group taken as a whole;
- (e) issued, authorised or proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or (save for Intra-Lighthouse Group Transactions), save in the ordinary course of business, incurred or increased any indebtedness or become subject to any contingent liability which in any case is material in the context of the Wider Lighthouse Group taken as a whole;
- (f) entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary, any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, unusual or onerous nature, or which involves or could reasonably be expected to involve an obligation of a nature or magnitude or which is other than in the ordinary course of business and which, in any such case, is material in the context of the Wider Lighthouse Group or in the context of the Acquisition, or which is or is reasonably likely to be restrictive on the business of any member of the Wider Lighthouse Group or Wider Intrinsic Group;
- (g) entered into any licence or other disposal of intellectual property rights of any member of the Wider Lighthouse Group which is material in the context of the Wider Lighthouse Group or which is other than in the ordinary course of business;

- (h) entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary the terms of or made any offer (which remains open for acceptance) to enter into or vary the terms of, any contract, commitment, arrangement or any service agreement with any director or senior executive of the Wider Lighthouse Group;
- (i) proposed, agreed to provide or modified to a material extent the terms of the Lighthouse LTIP or any share option scheme, incentive scheme, or other benefit relating to the employment or termination of employment, of any employee of the Wider Lighthouse Group;
- (j) procured the trustees of any pension scheme or other retirement or death benefit arrangement established for the directors, former directors, employees or former employees of any entity in the Wider Lighthouse Group or their dependants (a “**Relevant Pension Plan**”), or any such trustees having taken any action since 31 December 2018, to:
  - (I) make or agree to any material change to: (a) the terms of the trust deeds, rules, policy or other governing documents constituting any Relevant Pension Plan; (b) the basis on which benefits accrue, pensions which are payable or the persons entitled to accrue or be paid benefits, under any Relevant Pension Plan; (c) the basis on which the liabilities of any Relevant Pension Plan are funded or valued; or (d) the basis or rate of employer contribution to a Relevant Pension Plan, in each case other than as required by applicable law;
  - (II) carry out any act: (a) which would or could reasonably be expected to lead to the commencement of the winding up of any Relevant Pension Plan; (b) which would or is reasonably likely to create a material debt owed by an employer to any Relevant Pension Plan; (c) which would or might accelerate any obligation on any employer to fund or pay additional contributions to any Relevant Pension Plan, in each case other than as required by applicable law;
- (k) entered into, implemented or effected, or authorised, proposed or announced its intention to implement or effect, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement other than the Scheme;
- (l) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect of the matters mentioned in sub paragraph (a) above, made any other change to any part of its share capital;
- (m) waived, compromised or settled any claim (whether actual or threatened) otherwise than in the ordinary course of business and which is material in the context of the Wider Lighthouse Group taken as a whole;
- (n) save as is envisaged by the Acquisition, made any alteration to its articles of association or other constitutional documents;
- (o) (other than in respect of a member of the Wider Lighthouse Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (p) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its

debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;

- (q) entered into any contract, commitment, agreement or arrangement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition and which is material in the context of the Wider Lighthouse Group taken as a whole or in the context of the Acquisition;
- (r) terminated or varied the terms of any agreement or arrangement between any member of the Wider Lighthouse Group and any other person in a manner which would or would reasonably likely to be expected to have a material adverse effect on the financial position of the Wider Lighthouse Group taken as a whole; or
- (s) other than with the consent of Intrinsic, having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Lighthouse Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code.

#### **No material adverse change**

9. Except as Disclosed, since 31 December 2018:

- (a) there having been no adverse change or deterioration in the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Lighthouse Group which, in any such case, is material in the context of the Wider Lighthouse Group taken a whole or in the context of the Acquisition and no circumstances have arisen which would or might reasonably be expected to result in any such adverse change;
- (b) no material litigation, arbitration proceedings, prosecution or other material legal proceedings including, without limitation, with regard to intellectual property rights used by the Wider Lighthouse Group to which any member of the Wider Lighthouse Group is or may become a party (whether as claimant or defendant or otherwise) and no enquiry, review, investigation or enforcement proceedings by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Lighthouse Group having been threatened, announced or instituted by or against, or remaining outstanding in respect of, any member of the Wider Lighthouse Group in each case which is material in the context of the Wider Lighthouse Group taken as a whole;
- (c) no contingent or other liability having arisen, increased or become apparent which would reasonably be likely adversely to affect the business, assets, financial or trading position, profits, prospects or operational performance of any member of the Wider Lighthouse Group to an extent which is material to the Wider Lighthouse Group taken as a whole or in the context of the Acquisition; and
- (d) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Lighthouse Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material and reasonably likely to have an adverse effect on the Wider Lighthouse Group taken as a whole or in the context of the Acquisition.

#### **No discovery of certain matters**

10. Except as Disclosed, since 31 December 2018 Intrinsic not having discovered:

- (a) that any financial, business or other information concerning the Wider Lighthouse Group publicly announced or disclosed to any member of the Wider Intrinsic Group at any time by or

on behalf of any member of the Wider Lighthouse Group or to any of their advisers is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not materially misleading; or

- (b) that any member of the Wider Lighthouse Group is subject to any material liability, contingent or otherwise, which is not disclosed in the Annual Report and Financial Statements of Lighthouse; or
- (c) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Lighthouse Group and which is material in the context of the Wider Lighthouse Group taken as a whole or in the context of the Acquisition.

### **Intellectual Property**

11. Save as Disclosed, no circumstance having arisen or ceasing to exist, or no event having occurred, in each case, in relation to any intellectual property owned or used by any member of the Wider Lighthouse Group which is reasonably anticipated to have a material adverse effect on the Wider Lighthouse Group taken as a whole or is otherwise material in the context of the Acquisition.

### **Anti corruption and sanctions**

12. Save as Disclosed, Intrinsic not having discovered that:
- (a) any past or present member, director, officer or employee of the Wider Lighthouse Group or any person that performs or has performed services for or on behalf of any such company is or has at any time engaged in any activity, practice or conduct (or omitted to take any action) in connection with the performance of such services which would constitute an offence under the UK Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, Part 3 of the Criminal Finances Act 2017 (each as amended) or any other applicable anti corruption or anti-tax-evasion legislation; or
  - (b) any past or present member, director, officer or employee of the Wider Lighthouse Group or any person who has performed services for and on behalf of any such company has engaged in any activity or business with, or made any investments in, or made any funds or assets available to or received any funds or assets from: (i) any government, entity or individual in respect of which US or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US or European Union laws or regulations, including the economic sanctions administered by the HM Treasury & Customs, the United Nations or the European Union (or any of their respective member states) or the United States Office of Foreign Assets Control; or (ii) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its member states, in each case to an extent which is material in the context of the Wider Lighthouse Group taken as a whole; or
  - (c) any member of the Lighthouse Group has been engaged in any transaction which would cause Intrinsic to be in breach of any applicable law or regulation upon its acquisition of Lighthouse, including the economic sanctions of the United States Office of Foreign Assets Control, or HM Treasury & Customs, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its member states.

### **No criminal property**

13. Save as Disclosed, Intrinsic not having discovered that any material asset of any member of the Wider Lighthouse Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

## **Section 2: Waiver and invocation of the Conditions**

1. Subject to the requirements of the Panel in accordance with the Takeover Code, Intrinsic reserves the right in its sole discretion to waive:
  - (a) those parts of all or any of the Conditions set out in paragraph 2 of section 1 of this Part 3 relating to the deadlines for the Court Meeting, General Meeting and/or the Court Hearing. If any such deadline is not met, Intrinsic shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadline or agreed with Lighthouse to extend the relevant deadline; and
  - (b) in whole or in part, all or any of the Conditions 3 and 5 to 13.
2. Under Rule 13.5(a) of the Takeover Code, Intrinsic may not invoke a Condition to the Acquisition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Intrinsic in the context of the Acquisition. Conditions 1, 2(a)(i), 2(b)(i), 2(c)(i) and 2(d), 3 (*CMA Competition Clearance*) and, if applicable, any acceptance condition if the Acquisition is implemented by means of a Takeover Offer, are not subject to this provision of the Takeover Code.
3. Intrinsic shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or treat as fulfilled any of the Conditions by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that any other Conditions may at any earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any of such Conditions may not be capable of fulfilment.

## **Section 3: Implementation by way of Takeover Offer**

Intrinsic reserves the right to elect to implement the Acquisition by way of a Takeover Offer, subject to the Panel's consent. In such event, such Takeover Offer will be implemented on the same terms and conditions as those which would apply to the Scheme subject to the Takeover Code and to any appropriate amendments, including (without limitation) an acceptance condition set at 90 per cent. (or such other percentage (being more than 50 per cent.) as Intrinsic may, subject to the rules of the Takeover Code and with the consent of the Panel, decide) in nominal value of the shares to which such Takeover Offer relates and of the voting rights to those shares.

## **Section 4: Certain further terms of the Acquisition**

1. The availability of the Acquisition to persons not resident in the UK may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the UK should inform themselves about, and observe, any applicable requirements. Further information in relation to Overseas Shareholders will be contained in the Scheme Document.
2. If Intrinsic is required by the Panel to make an offer for Lighthouse Shares under the provisions of Rule 9 of the Takeover Code, Intrinsic may make such alterations to any of the above Conditions as are necessary to comply with the provisions of that Rule.
3. The Lighthouse Shares will be acquired by Intrinsic fully paid and free from all liens, charges, equities, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights attaching to them as at Announcement Date or subsequently attaching or accruing to them, including without limitation voting rights and the right to receive and retain, in full, all dividends and other distributions (if any), declared, made or paid, or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the Announcement Date and before the Effective Date, other than the Pre-Close Dividend.
4. Intrinsic reserves the right to reduce the consideration payable in respect of each Lighthouse Share under the terms of the Acquisition to the extent that the Pre-Close Dividend exceeds 0.5 pence per

Lighthouse Share. If any dividend or other distribution is announced, declared, made, payable or paid in respect of the Lighthouse Shares on or after the Announcement Date and prior to the Effective Date, other than the Pre-Close Dividend, Intrinsic reserves the right to reduce the consideration payable in respect of each Lighthouse Share by the amount of all or part of any such dividend or other distribution. If Intrinsic exercises this right or makes such reduction in respect of a dividend or other distribution that has not been paid, Lighthouse Shareholders will be entitled to receive and retain that dividend or other distribution.

5. The Acquisition will lapse and the Scheme will not become Effective if the Acquisition or any matter arising from or relating to it becomes subject to a CMA Phase 2 Reference before 11.59 p.m. (London time) on the date immediately preceding the date of the Court Meeting.
6. The Acquisition will lapse and the Scheme will not become Effective if the European Commission either initiates proceedings under Article 6(1)(c) of Council Regulation (EC) 139/2004 or makes a referral to a competent authority of the United Kingdom under Article 9(3)(b) of that Regulation and there is a subsequent CMA Phase 2 Reference, in either case before the Lighthouse Meetings.
7. The Scheme will be governed by the laws of England and Wales and be subject to the jurisdiction of the Courts and to the Conditions and further terms set out in this document. The Acquisition will comply with the AIM Rules and the Takeover Code.
8. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

## **Part 4: Financial and Ratings Information**

### **Section 1: Financial information relating to Lighthouse**

The following information is incorporated into this document by reference pursuant to Rule 24.15 of the Takeover Code:

- the audited consolidated accounts of Lighthouse for the financial year ended 31 December 2018 set out in pages 41 to 83 (both inclusive) in the Company’s annual report for the financial year ended 31 December 2018 available from Lighthouse’s website at <https://www.lighthousegroup.plc.uk/wp-content/uploads/2019/03/Lighthouse-Report-and-Accounts-2018.pdf>; and
- the audited consolidated accounts of Lighthouse for the financial year 31 December 2017 are set out in pages 27 to 65 (both inclusive) in the Company’s annual report for the financial year ended 31 December 2017 available from Lighthouse’s website at <https://www.lighthousegroup.plc.uk/wp-content/uploads/2018/03/December-2017-1.pdf>.

### **Section 2: Lighthouse Group ratings and outlooks**

There are no ratings or outlooks publicly accorded to any member of the Lighthouse Group.

### **Section 3: Financial information relating to Intrinsic and Quilter**

The following information is incorporated into this document by reference pursuant to Rule 24.15 of the Takeover Code:

- the audited accounts of Intrinsic for the financial year ended 31 December 2017 set out in pages 10 to 34 (both inclusive) in Intrinsic’s annual report for the financial year ended 31 December 2017 available at the Companies House Register as from 18 April 2018;
- the audited accounts of Intrinsic for the financial year ended 31 December 2016 set out in pages 25 to 61 (both inclusive) in Intrinsic’s annual report for the financial year ended 31 December 2016 available at the Companies House Register as from 19 May 2017;
- the audited consolidated accounts of Quilter for the financial year ended 31 December 2018 set out in pages 96 to 195 (both inclusive) in Quilter’s annual report for the financial year ended 31 December 2018 available from Quilter’s website at [https://annualreport.quilter.com/pdf/Quilter\\_AR\\_2018\\_full.pdf](https://annualreport.quilter.com/pdf/Quilter_AR_2018_full.pdf); and
- the unaudited consolidated accounts of Quilter for the financial year ended 31 December 2017 set out in pages 134 to 299 (both inclusive) of the prospectus made for the offer of ordinary shares and admission to listing on the premium segment of the Official List and to trading on the main market of the London Stock Exchange and the main board of the Johannesburg Stock Exchange dated 20 April 2018 available from Quilter’s website at <https://www.quilter.com/siteassets/quilter/investor-relations/documents/2018/2018-04-20-equity-prospectus.pdf>.

### **Section 4: Quilter ratings and outlooks**

The Quilter Group is rated A- with a stable outlook by Fitch. There are no current ratings or outlooks publicly accorded to Intrinsic or to any other members of the Intrinsic Group by ratings agencies.

### **No incorporation of website information**

Save as expressly referred to herein, neither the contents of the websites referred to in this document nor the contents of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this document.

### **Hard copies of documents incorporated by reference**

Please see the information under the heading “Publication on websites and availability of hard copies” on page 5 of this document for details of any of the documents incorporated by reference into this document.

## Part 5: Additional Information

### 1. Responsibility

- 1.1 The Lighthouse Directors, whose names are set at paragraph 2.1 of this Part 5, each accept responsibility for the information contained in this document (including any expressions of opinion) other than the information (and expressions of opinion) contained in this document for which responsibility is taken by the Quilter Directors and Intrinsic Directors pursuant to paragraphs 1.2 and 1.3 below. To the best of the knowledge and belief of the Lighthouse Directors (who have taken all reasonable care to ensure that such is the case), the information (including any expressions of opinion) contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Quilter Directors, whose names are set at paragraph 2.2 of this Part 5, each accept responsibility for the information (and expressions of opinion) contained in this document relating to Intrinsic, Quilter, the Intrinsic Group, the Quilter Directors and members of their immediate families, related trusts and persons connected with them including, without limitation, information relating to Intrinsic's and Quilter's strategy and future intentions for Lighthouse. To the best of the knowledge and belief of the Quilter Directors (who have taken all reasonable care to ensure that such is the case), the information (including any expressions of opinion) contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 The Intrinsic Directors, whose names are set at paragraph 2.3 of this Part 5, each accept responsibility for the information (and expressions of opinion) contained in this document relating to Intrinsic, the Intrinsic Group, the Intrinsic Directors and members of their immediate families, related trusts and persons connected with them including, without limitation, information relating to Intrinsic's strategy and future intentions for Lighthouse. To the best of the knowledge and belief of the Intrinsic Directors (who have taken all reasonable care to ensure that such is the case), the information (including any expressions of opinion) contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

### 2. Directors

- 2.1 The Lighthouse Directors and their respective positions are set out below:

<b>Name</b>	<b>Position held</b>
Richard Last	<i>Non-Executive Chairman</i>
Malcolm John Streatfield	<i>Chief Executive Officer</i>
Peter James Smith	<i>Group Finance Director and Company Secretary</i>
Kenneth George Paterson	<i>Group Compliance and Risk Director</i>
Alexander John Scott-Barrett	<i>Senior Independent Non-Executive Director</i>
Michelle Ann Cracknell	<i>Independent Non-Executive Director</i>
Ann Lindsay Roughead	<i>Independent Non-Executive Director</i>

Lighthouse's registered office, and the business address of the Lighthouse Directors, is: 26 Throgmorton Street, London EC2N 2AN.



2.2 The Quilter Directors and their respective positions are set out below:

<b>Name</b>	<b>Position held</b>
Paul Feeny	<i>Chief Executive Officer</i>
Mark Satchel	<i>Chief Financial Officer</i>
Glyn Jones	<i>Non-Executive Chairman</i>
Rosemary Harris	<i>Independent Non-Executive Director</i>
Suresh Kana	<i>Independent Non-Executive Director</i>
Moira Kilcoyne	<i>Independent Non-Executive Director</i>
Paul Matthews	<i>Independent Non-Executive Director</i>
George Reid	<i>Independent Non-Executive Director</i>
Jonathan Little	<i>Independent Non-Executive Director</i>
Ruth Markland	<i>Senior Independent Director</i>
Catherine Turner	<i>Independent Non-Executive Director</i>

Quilter's registered office, and the business address of the Quilter Directors, is: Millennium Bridge House, 2 Lambeth Hill, London EC4V 4AJ.

2.3 The Intrinsic Directors and their respective positions are set out below:

<b>Name</b>	<b>Position held</b>
Andrew Thompson	<i>Chief Executive Officer</i>
Darren John Sharkey	<i>Finance Director</i>
Gregor Stewart	<i>Non-Executive Chairman</i>
Keith Baldwin	<i>Independent Non-Executive Director</i>
William Dobbins	<i>Non-Executive Director</i>
Paul Matthews	<i>Independent Non-Executive Director</i>

Intrinsic's registered office, and the business address of each Intrinsic Director, is: Wiltshire Court, Farnsby Street, Swindon, England SN1 5AH.

### **3. Lighthouse Shares and Lighthouse LTIP**

At the close of business on 12 April 2019 (being the last Business Day prior to the date of this document), the following Lighthouse Shares were in issue and options in respect of Lighthouse Shares under the Lighthouse LTIP were outstanding:

- Lighthouse Shares in issue: 127,700,298; and
- Lighthouse Shares which may be issued on the exercise of options under the Lighthouse LTIP: 12,163,972.

### **4. Market quotations**

The following table sets out the Closing Price for Lighthouse Shares on the first Business Day in each of the six months immediately before the date of this document, on 2 April 2019 (being the last Business Day prior to the commencement of the Offer Period) and on 12 April 2019 (being the last Business Day prior to the date of this document):

<b>Date</b>	<b>Closing Price (pence)</b>
1 November 2018	26.20
3 December 2018	24.60
2 January 2019	22.40
1 February 2019	26.50
1 March 2019	24.40
1 April 2019	26.50
2 April 2019	26.50
12 April 2019	32.50

## 5. Disclosure of interests and dealings

### 5.1 Definitions and references

For the purposes of this paragraph 5:

“**acting in concert**” with Lighthouse or Intrinsic, as the case may be, means any such person acting or deemed to be acting in concert with Lighthouse or Intrinsic, as the case may be, for the purposes of the Takeover Code;

“**arrangement**” includes any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature relating to relevant securities of Lighthouse which may be an inducement to deal or refrain from dealing;

“**connected adviser**” includes an organisation which (A) is advising Intrinsic or (as the case may be) Lighthouse in relation to the Acquisition, (B) is a corporate broker to Intrinsic or (as the case may be) Lighthouse, (C) is advising a person acting in concert with Intrinsic or (as the case may be) Lighthouse in relation to the Acquisition or in relation to the matter which is the reason for that person being a member of the concert party, in each case, excluding any “exempt principal traders” and any “exempt fund managers”;

“**connected person**” means, in relation to any person who is a director of a company, any other person whose interests in shares the director is taken to be interested in pursuant to Part 22 of the Companies Act 2006 and related regulations;

ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status and “**control**” means an interest or interests in shares carrying in aggregate 30 per cent. or more of the “**voting rights**” of a company, irrespective of whether the holding or holdings gives *de facto* control;

“**dealing**” or “**dealt**” means:

- acquiring or disposing of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or of general control of relevant securities;
- taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option (including a traded option contract) in respect of any relevant securities;
- subscribing or agreeing to subscribe for relevant securities;
- exercising or converting, whether in respect of any new or existing securities, or any relevant securities carrying conversion or subscription rights;
- acquiring, disposing of, entering into, closing out, exercising (by either party) of any rights under, or varying, a derivative referenced, directly or indirectly, to relevant securities;
- entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
- any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;

“**derivative**” includes any financial product the value of which, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;

“**disclosure period**” means the period which began on 3 April 2018 (the date 12 months prior to the commencement of the Offer Period) and ended on 11 April 2019 (being the latest practicable date prior to the publication of this document);

**“relevant securities”** means:

- Lighthouse Shares and any other securities of Lighthouse conferring voting rights;
- the equity share capital of any member of the Intrinsic Group; and
- securities of Lighthouse and any member of the Intrinsic Group carrying conversion or subscription rights into any of the foregoing;

**“short position”** means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery;

**“voting rights”** means all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting of that company. Except for treasury shares, any shares which are subject to:

- a restriction on the exercise of voting rights:
  - in an undertaking or agreement by or between a shareholder and the company or a third party; or
  - arising by law or regulation; or
- a suspension of voting rights implemented by means of the company’s articles of association or otherwise,

will normally be regarded as having voting rights which are currently exercisable at a general meeting;

a person has an **“interest”** or is **“interested”** in relevant securities if he has a long economic exposure, whether absolute or conditional, to changes in the price of those securities (but not if he only has a short position in such securities) and in particular if:

- he owns them;
- he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
- by virtue of any agreement to purchase, option or derivative he:
  - has the right or option to acquire them or call for their delivery; or
  - is under an obligation to take delivery of them,

whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or

- he is party to any derivative:
  - whose value is determined by reference to their price; and
  - which results, or may result, in his having a long position in them; and

**“close relatives”**, **“exempt principal trader”**, **“exempt fund manager”** and **“securities”** have the meanings given to them by the Takeover Code.

## 5.2 *Interests, rights to subscribe, short positions and dealings in relevant securities of Lighthouse*

### *Lighthouse Directors*

As at 12 April 2019 (being the last Business Day prior to the date of this document), the Lighthouse Directors were interested in the following Lighthouse Shares:

<b>Name</b>	<b>Number of Lighthouse Shares</b>
Malcolm John Streatfield <sup>1</sup>	2,791,563
Richard Last	912,500
Peter James Smith	430,000
Alexander John Scott-Barrett	305,000
Kenneth George Paterson	100,000

#### **Notes:**

1 As part of the holdings shown above, Malcolm Streatfield had beneficial interests in 1,468,948 Lighthouse Shares held in his self-invested personal pension.

As at 12 April 2019 (being the last Business Day prior to the date of this document), the following options in respect of Lighthouse Shares had been granted to the following Lighthouse Directors and remained outstanding under the Lighthouse LTIP:

<b>Name</b>	<b>Scheme</b>	<b>Number of Lighthouse Shares under option</b>	<b>Date of grant</b>	<b>Exercise price per Lighthouse Share (p)</b>	<b>Normal Exercise period</b>
Malcolm John Streatfield	LTIP (approved)	2,564,102	10 December 2015	1.0	10 December 2018 to 10 December 2025
Malcolm John Streatfield	LTIP (unapproved)	685,898	10 December 2015	1.0	10 December 2018 to 10 December 2025
Malcolm John Streatfield	LTIP (unapproved)	1,761,869	2 June 2017	1.0	2 June 2020 to 2 June 2027
Peter James Smith	LTIP (approved)	2,550,000	10 December 2015	1.0	10 December 2018 to 10 December 2025
Peter James Smith	LTIP (approved)	8,992	2 June 2017	1.0	2 June 2020 to 2 June 2027
Peter James Smith	LTIP (unapproved)	1,355,880	2 June 2017	1.0	2 June 2020 to 2 June 2027
Kenneth George Paterson	LTIP (approved)	600,000	10 December 2015	1.0	10 December 2018 to 10 December 2025
Kenneth George Paterson	LTIP (approved)	374,037	2 June 2017	1.0	2 June 2020 to 2 June 2027

### *Dealings by Lighthouse or persons acting in concert with Lighthouse*

On 3 April 2019, finnCap Ltd acquired 10,354 Lighthouse Shares for 32.5 pence per Lighthouse Share.

### *Intrinsic and Quilter*

As at 12 April 2019 (being the last Business Day prior to the date of this document), Old Mutual Wealth Holdings Limited, which is presumed to be acting in concert with Intrinsic under the Takeover Code, was the registered holder of 5,581,383 Lighthouse Shares, representing approximately 4.37 per cent. of Lighthouse's issued share capital.

As at 12 April 2019 (being the last Business Day prior to the date of this document), Quilter Cheviot Limited was the registered holder of 197,000 Lighthouse Shares, representing approximately 0.15 per cent. of Lighthouse's issued share capital. Quilter Cheviot Limited held these Lighthouse Shares on a non-discretionary execution-only basis for its clients and, therefore, Quilter Cheviot Limited is not presumed to be acting in concert with Intrinsic under the Takeover Code in respect of those Lighthouse Shares.

### 5.3 **General**

Save as disclosed in this paragraph 5, as at the end of the disclosure period:

- (a) neither Quilter, Intrinsic, the Intrinsic Directors, the Quilter Directors nor (in the case of the Intrinsic and Quilter Directors) any of their close relatives, related trusts or connected persons, nor any other person acting in concert with Intrinsic or Quilter, nor any person with whom Intrinsic or Quilter, or any person acting in concert with Intrinsic or Quilter had an arrangement, was interested in, had any right to subscribe for, or had any short position in relation to, any relevant securities of Lighthouse nor had any such person dealt in any relevant securities of Lighthouse during the disclosure period;
- (b) neither Lighthouse, nor any of the Lighthouse Directors, nor (in the case of the Lighthouse Directors) any of their close relatives, related trusts or connected persons, nor any person acting in concert with Lighthouse, nor any person with whom Lighthouse or any person acting in concert with Lighthouse had an arrangement, was interested in, had any right to subscribe for, or had any short position in relation to, any relevant securities of Lighthouse and nor had any such person dealt in any relevant securities of Lighthouse in the period commencing on the first day of the Offer Period and ending on the last day of the disclosure period;
- (c) neither Lighthouse, nor any of the Lighthouse Directors, nor (in the case of the Lighthouse Directors) any of their close relatives, related trusts or connected persons, was interested in, had any right to subscribe for, or had any short position in relation to, any relevant securities of Quilter and nor had any such person dealt in any relevant securities of Quilter in the period commencing on the first day of the Offer Period and ending on the last day of the disclosure period;
- (d) neither Lighthouse, Intrinsic, Quilter, nor any person acting in concert with Lighthouse, Intrinsic or Quilter had borrowed or lent (including for these purposes any financial collateral arrangements of a kind referred to in Note 4 on Rule 4.6) any relevant securities in Lighthouse (save for any borrowed shares which have been either on-lent or sold); and
- (e) save for the irrevocable undertakings described in paragraph 8 of this Part 5, there is no arrangement relating to relevant securities in Lighthouse which exists between Intrinsic, Quilter or any person acting in concert with Intrinsic or Quilter and any other person, nor between Lighthouse or any person acting in concert with Lighthouse and any other person.

## 6. **Service contracts and letters of appointment of the Lighthouse directors**

The following directors have entered into service agreements or letters of appointment (as appropriate) with Lighthouse Group as summarised below:

### 6.1 **Richard Last**

The terms of Richard Last's letter of appointment as non-executive chairman of Lighthouse are summarised below:

- (a) Richard Last was engaged as a non-executive director under a letter of appointment dated 28 August 2007.
- (b) His appointment is terminable by either party on six months' written notice. If the Lighthouse Shareholders do not confirm his re-appointment at a general meeting in accordance with the articles of association of Lighthouse, his appointment will terminate automatically at the end of that general meeting.
- (c) For the duration of his appointment as a non-executive director, he is entitled to be covered by a policy of directors' and officers' liability insurance at Lighthouse's expense. He is bound by indefinite confidentiality provisions.

- (d) Richard Last receives a fee of £60,000 per annum as non-executive director. He is reimbursed for all reasonable and properly documented expenses that have been incurred by him in the performance of his duties.

## 6.2 *Malcolm John Streatfield*

The terms of Malcolm Streatfield's service agreement as chief executive officer of Lighthouse are summarised below:

- (a) Malcolm Streatfield was engaged as chief executive officer of Lighthouse under an employment agreement dated 8 May 2008.
- (b) His employment contract may be terminated with immediate effect by Lighthouse by written notice for various reasons, including but not limited to, him committing any serious breach of the employment agreement, committing serious misconduct or being convicted of any criminal offence. His employment contract may also be terminated by at least 12 months' written notice by either party.
- (c) Malcolm Streatfield receives a salary of £241,448 per annum, plus reasonable expenses properly incurred, and may be awarded a bonus at any time at Lighthouse's absolute discretion. He is bound by indefinite confidentiality provisions. He receives an executive car allowance of £750 per month and a mileage allowance of 19 pence per mile in respect of travel wholly and properly incurred in connection with the business of Lighthouse.
- (d) He is entitled to participate in the Lighthouse LTIP at the discretion of the Remuneration Committee of Lighthouse. Lighthouse shall pay a sum equivalent to 10 per cent. of his monthly salary into the Executive's Personal Pension Plan each month or pay an equivalent sum in lieu of such contributions. He is entitled to 28 days' paid holiday and upon termination of the appointment, will be entitled to holiday pay in respect of holiday which has accrued but not taken on the entitlement of two days' holiday for each completed month of service.

## 6.3 *Peter James Smith*

The terms of Peter Smith's service agreement as group finance director and company secretary of Lighthouse are summarised below:

- (a) Peter Smith was engaged as group finance director and company secretary under an employment agreement effective from the 6 May 2008.
- (b) His employment agreement may be terminated with immediate effect by Lighthouse for various reasons, including but not limited to, him committing any serious breach of the employment agreement, committing serious misconduct or being convicted of any criminal offence. His employment contract may also be terminated by at least 12 months' written notice by either party.
- (c) Peter Smith receives a salary of £186,261 per annum, plus reasonable expenses properly incurred, and may be awarded a bonus at any time at Lighthouse's absolute discretion. In addition he receives a £750 car allowance per month and a mileage allowance of 19 pence per mile. He is bound by indefinite confidentiality provisions.
- (d) He is entitled to participate in the Lighthouse LTIP at the discretion of the Remuneration Committee of Lighthouse. Lighthouse shall pay a sum equivalent to 10 per cent. of his monthly salary into the Executive's Personal Pension Plan each month or pay an equivalent sum in lieu of such contributions. He is entitled to 28 days of working days as paid holiday during each year. Upon termination of the appointment, will be entitled to holiday pay in respect of holiday which has accrued but not taken on the entitlement of two days' holiday for each completed month of service.

#### 6.4 ***Kenneth George Paterson***

The terms of Kenneth Paterson's service agreement as group compliance and risk director of Lighthouse are summarised below:

- (a) Kenneth Paterson was engaged as group compliance and risk director of Lighthouse under an employment agreement effective from 12 February 2014.
- (b) Kenneth Paterson's employment agreement shall continue unless and until terminated by either party giving to the other not less than twelve months' notice in writing. In the event of either Lighthouse or Kenneth Paterson serving notice, Lighthouse may, in its sole and absolute discretion terminate Kenneth Paterson's employment immediately and will make a payment in lieu of notice. Lighthouse may terminate his employment immediately and without notice in certain circumstances including being convicted of a criminal offence, is guilty of any gross misconduct, is declared bankrupt or is guilty of a serious breach of rules or regulations of the FCA or the UK Listing Authority.
- (c) Kenneth Paterson receives a salary of £116,744 per annum, plus reasonable expenses properly incurred, and may be awarded a bonus at any time at Lighthouse's absolute discretion. He is bound by indefinite confidentiality provisions.

He is entitled to participate in the Lighthouse LTIP at the discretion of the Remuneration Committee of Lighthouse. He receives access to a stakeholder pension. He is entitled to 27 working days paid holiday per annum. Upon termination of the appointment, he will be entitled to holiday pay in respect of holiday which has accrued but has not yet been taken.

#### 6.5 ***Alexander John Scott-Barrett***

The terms of Alex Scott-Barrett's letter of appointment as a non-executive of Lighthouse are summarised below:

- (a) Alex Scott-Barrett was engaged as a non-executive director under a letter of appointment dated 18 March 2013.
- (b) His appointment is terminable automatically, with immediate effect and without compensation if the shareholders do not confirm his re-appointment or re-election as a director at a general meeting, or if he is removed from office under the articles of association of Lighthouse. Lighthouse may terminate his employment immediately and without notice in certain circumstances including being convicted of a criminal offence, is guilty of any gross misconduct, is declared bankrupt, disqualified from acting as a director or commits a material breach of his obligations.
- (c) For the duration of his appointment as a non-executive director he is entitled to be covered by a policy of directors' and officers' liability insurance at Lighthouse's expense. He is bound by indefinite confidentiality provisions.
- (d) Alex Scott-Barrett receives a fee of £40,800 per annum as non-executive director. He is reimbursed for all reasonable and properly documented expenses that have been incurred by him in the performance of his duties.

#### 6.6 ***Michelle Ann Cracknell***

The terms of Michelle Cracknell's letter of appointment as a non-executive director of Lighthouse are summarised below:

- (a) She was engaged as a non-executive director under a letter of appointment commencing 1 July 2017 for an initial term of three years.
- (b) Her appointment may be terminated earlier by either party giving to the other one month's prior written notice. She may be required to retire and seek re-election by the Lighthouse

Shareholders at any annual general meeting as required by the articles of association or as the Board of Lighthouse resolves. If the shareholders do not confirm her appointment or re-election as a director, or if she is removed from office under the articles of association of Lighthouse, her appointment shall terminate automatically, with immediate effect and without compensation. Lighthouse may terminate her employment immediately and without notice in certain circumstances including being convicted of a criminal offence, is guilty of any gross misconduct, is declared bankrupt, disqualified from acting as a director or commits a material breach of his obligations.

- (c) For the duration of her appointment as a non-executive director Michelle Cracknell is entitled to be covered by a policy of directors' and officers' liability insurance at Lighthouse's expense. She is bound by indefinite confidentiality provisions.
- (d) Michelle Cracknell receives a fee of £35,700 per annum as non-executive director. She is reimbursed for all reasonable and properly documented expenses that have been incurred by her in the performance of her duties.

#### 6.7 *Ann Lindsay Roughead*

The terms of Ann Roughead's letter of appointment as a non-executive director of Lighthouse are summarised below:

- (a) Ann Roughead was engaged as a non-executive director under a letter of appointment commencing on 1 September 2017 for an initial term of three years.
- (b) Her appointment may be terminated earlier by either party giving to the other one month's prior written notice. She may be required to retire and seek re-election by the Lighthouse Shareholders at any annual general meeting as required by the articles of association or as the Board of Lighthouse resolves. If the shareholders do not confirm her appointment or re-election as a director, or if she is removed from office under the articles of association of Lighthouse, her appointment shall terminate automatically, with immediate effect and without compensation. Lighthouse may terminate her employment immediately and without notice in certain circumstances including being convicted of a criminal offence, is guilty of any gross misconduct, is declared bankrupt, disqualified from acting as a director or commits a material breach of his obligations.
- (c) For the duration of her appointment as a non-executive director Ann Roughead is entitled to be covered by a policy of directors' and officers' liability insurance at Lighthouse's expense. She is bound by indefinite confidentiality provisions.
- (d) Ann Roughead receives a fee of £35,700 per annum as non-executive director. She is reimbursed for all reasonable and properly documented expenses that have been incurred by her in the performance of her duties.

Save as set out in this paragraph 6:

- no Lighthouse Director is entitled to commission or profit sharing arrangements;
- other than statutory compensation and payment in lieu of notice, no compensation is payable by Lighthouse to any Lighthouse Director upon early termination of their appointment; and
- no service agreement or letter of appointment of any Lighthouse Director was entered into or amended in the six month period prior to the date of this document.

#### **7. Material contracts**

During the period beginning on the date falling two years before the commencement of the Offer Period and ending on the last practicable date prior to the publication of this document, Intrinsic and Lighthouse and



their respective subsidiaries, as applicable, entered into the following material contracts (other than contracts entered into in the ordinary course of business).

### 7.1 *Lighthouse material contracts*

#### *Investment in Tavistock Investments plc (“Tavistock”)*

On 14 November 2018, Lighthouse subscribed for 30,487,805 new ordinary shares in Tavistock (representing 5.30 per cent. of the enlarged share capital of Tavistock) for £1 million pursuant to a subscription agreement dated 14 November 2018 (“**Subscription Agreement**”). The subscription was subject to the admission of those new shares on AIM, which was successfully achieved by Tavistock on 14 November 2018. The Subscription Agreement contained warranties by Lighthouse customary to an agreement of this nature, including as to corporate authority and compliance with applicable laws.

### 7.2 *Intrinsic material contracts*

#### *Charles Derby SPAs*

On 14 February 2019, Intrinsic entered into two agreements to purchase in aggregate the entire issued share capital of Charles Derby Group Limited (“**Charles Derby**”) not already owned by it (“**Charles Derby SPAs**”) from a number of sellers. Before the acquisitions, Intrinsic held approximately 6 per cent. of the issued share capital of Charles Derby. The initial purchase price payable on completion to the sellers was approximately £21 million (subject to post-completion adjustments), valuing the entire issued share capital of Charles Derby at approximately £32 million as at completion. Deferred payments are to be made on the eighteenth month and third anniversary of completion. Both deferred payments are subject to a mechanism to deal with unpaid warranty or indemnity claims by Intrinsic against the sellers. Under the Charles Derby SPAs, the sellers agreed to restrictive covenants for a period of three years, including (i) a non-compete and (ii) a restriction on soliciting clients, customers and senior employees or advisers of the Charles Derby Group. The transaction also completed on 14 February 2019.

### 7.3 *Quilter material contracts*

#### *Underwriting Agreement*

On 20 April 2018, Quilter, Old Mutual Plc, the directors of Quilter and certain banks entered into an underwriting agreement to procure purchasers for the sale of shares in the capital of Quilter in connection with the listing of Quilter. Under this agreement, Old Mutual Plc agreed, subject to certain conditions, to sell or procure the sale of the shares in Quilter at the offer price and the underwriting banks severally agreed, subject to certain conditions, to procure purchasers for or, failing which, themselves to purchase these shares. In addition, both Quilter and its directors had entered into certain lock-up arrangements stipulating that, subject to customary exemptions during a period of 180 days and 365 days, respectively, from the date of admission of the shares to trading, not to, without the prior written consent of the joint global coordinators (on behalf of themselves and the other banks), directly or indirectly, offer, issue, lend, mortgage, assign, charge, pledge, sell or contract to sell or issue or sell any option in respect of any ordinary shares in Quilter (or any interest therein or in respect thereof) or any other securities exchangeable for or convertible into, or substantially similar to, ordinary shares in Quilter or enter into any transaction with the same economic effect as, or agree to do, any of the foregoing. Quilter also gave an indemnity to the banks on customary terms that are typical for an agreement of this nature.

#### *Old Mutual plc Separation Agreement*

On 12 April 2018, Old Mutual plc and Quilter entered into a separation agreement to set out the principal steps that were necessary to effect the separation from Quilter of Old Mutual plc and other provisions to govern certain aspects of the Quilter’s relationship with Old Mutual plc after this separation. This agreement included provisions relating to the non-solicitation of key employees for a period of two years, the use of the “Old Mutual” brand, the allocation of liabilities and wrong

pocket, the sharing of information for financial or tax reporting obligations and the administration of the Old Mutual plc share plans in which Quilter's employees had participated.

#### *OML Separation Agreement*

On 12 April 2018, Quilter and Old Mutual Limited entered into a separation agreement to set out provisions that would govern certain aspects of Quilter's relationship with Old Mutual Limited after the separation of Quilter from Old Mutual Plc. This agreement included provisions relating to the non-solicitation of key employees for a period of two years, the use of the "Old Mutual" brand, a covenant not to transfer value to its members with a main purpose of tax avoidance or otherwise not for genuine commercial reasons for five years and the sharing of information for financial or tax reporting obligations.

#### *Tax Matters Agreement*

On 12 April 2018, the tax matters agreement between Quilter and Old Mutual plc set out the general principle that each will be responsible for taxes imposed on its subsidiaries and business for any period, with each party indemnifying the other where that would otherwise not be the case. Similarly, each of Quilter and its subsidiaries and the Old Mutual Limited group would generally be entitled to benefit from any tax refunds relating to its subsidiaries and business. The agreement also provided for cooperation between the parties in relation to the exchange of information, preparation and submission of tax returns and computations and communications with tax authorities on tax matters affecting both Quilter and its subsidiaries and the Old Mutual Limited group. Finally, the agreement contained provisions on the allocation of tax reliefs, adjustments and/or compensating payment as a result of transfer pricing and a covenant not to transfer value to its members with a main purpose of tax avoidance or otherwise not for genuine commercial reasons for five years.

#### *Transitional Trade Mark Licence Agreement*

On 7 March 2018, Old Mutual plc and Old Mutual Life Assurance Company (South Africa) Limited entered into an agreement to grant a non-exclusive licence to Quilter to use certain "Old Mutual" trade marks for a transitional period of two years following the date on which the separation occurred (which may be extended by a period of six months in certain circumstances). Under this agreement, Quilter is permitted to sub-license these trademarks to its subsidiaries. Quilter and its sub-licensees are permitted to use the trademarks in relation to the conduct of the Old Mutual Wealth group's businesses as at the date of the separation of Quilter from Old Mutual plc. The licence is restricted to use in specified territories, and in the manner in which the trademarks were used by Quilter and its subsidiaries in the two year period immediately prior to the date of the separation. The licensors may terminate the licence early for material breach (which remains un-remedied for 30 days following notice), insolvency, where Quilter challenges a licensor's ownership, validity or enforceability of the trademarks or where there is a change of control of Quilter to a competitor.

#### *OMGI Sale Transaction*

On 18 December 2017, Quilter and Mintaka Bidco Limited (a special purpose vehicle ultimately owned by funds managed by TA Associates and certain members of Old Mutual Global Investors (UK) Limited's ("OMGI") management) entered into the sale and purchase agreement pursuant to which Quilter agreed to sell the entire issued share capital of Old Mutual Global Investors Holdings Limited, which included the single strategy business, to Mintaka Bidco Limited (as subsequently amended on 11 April 2018). The transaction completed on 29 June 2018. Pursuant to the terms of the agreement, the economic ownership of the single strategy business passed to Mintaka Bidco Limited effective from 1 January 2018.

The total consideration for the sale was £583 million, comprising an up front cash consideration of £576 million and an additional £7 million of deferred consideration. The agreement contained typical title, capacity and seller solvency warranties, as well certain limited commercial warranties. There were also customary pre-completion undertakings relating to the conduct of the single strategy business and the steps required to be taken prior completion. The agreement contained covenants

given by both parties relating to the non-solicitation of employees for a period of two years after completion and also contained certain non-compete covenants given by both parties for the same period. The agreement also included an anti-embarrassment provision pursuant to which Quilter was entitled to a payment should Mintaka Bidco Limited agree to sell the single strategy business or the shares of certain companies operating it to a third party before 31 December 2019. Quilter's liability for breach of any of the terms of the agreement is limited to 25 per cent. of the consideration, except for liability for breaches of key provisions which, along with all other claims, was limited to the amount of the consideration. Quilter will have to make certain payments to Mintaka Bidco Limited if the management fee revenue of OMGI from assets under management derived from certain distribution channels is below certain specified amounts in the calendar years 2020 and 2022. The maximum payment by Quilter is £15 million in respect of each such year.

#### *Multi-Asset Separation Business Transfer Agreement*

On 18 December 2017, Old Mutual Investment Management Limited (which, was at the time of the agreement, a subsidiary of Old Mutual Global Investors Limited) and OMGI (a subsidiary of Old Mutual Global Investors Limited) entered into a business transfer agreement (the “**Multi-Asset Separation BTA**”) pursuant to which the multi-asset business was separated and retained by the Quilter Group, following the satisfaction of certain regulatory conditions.

Pursuant to the Multi-Asset Separation BTA: (i) certain assets used in the multi-asset business (such as computers and certain IP rights) were transferred to Old Mutual Investment Management Limited for book value; (ii) certain employment arrangements took effect, including the transfer of a number of employees from OMGI to Old Mutual Investment Management Limited; (iii) Old Mutual Investment Management Limited terminated its existing delegation of the investment management of certain multi-asset funds to OMGI and assumed the investment management itself; (iv) investment management of certain funds where investment management had previously been delegated by Old Mutual Investment Management Limited to OMGI, and OMGI has then sub-delegated to a third party manager were reorganised so that Old Mutual Investment Management Limited delegated directly to the relevant third party managers; (v) the investment management of certain multi-asset funds in Ireland would be sub-delegated by OMGI to Old Mutual Investment Management Limited and, in due course, these funds would be merged into multi-asset funds managed directly by Old Mutual Investment Management Limited; and (v) certain distribution arrangements (as well as the arrangements relating to rebates) relating to the multi-asset business would be separated and transitioned to Old Mutual Investment Management Limited. The Multi-Asset Separation BTA contained an indemnity, subject to certain exclusions, given by Old Mutual Investment Management Limited to OMGI and each member of OMGI's group in respect of certain liabilities incurred relating to the operation of the multi-asset business from 1 January 2018 up to completion under the Multi-Asset Separation BTA.

#### *Skandia UK Purchase Transaction*

On 30 January 2018 Quilter entered into a share sale agreement (the “**Skandia UK SPA**”) with Old Mutual Plc, pursuant to which Quilter acquired the entire issued share capital of Skandia UK Limited (“**Skandia UK**”). Quilter issued one ordinary share of £1.00 in its share capital as consideration for the acquisition of Skandia UK and its six subsidiary undertakings. Completion occurred on 31 January 2018. Old Mutual Plc provided title and capacity warranties and limited warranties on the financial position of Skandia UK. There were no limitations on liability included in the Skandia UK SPA. Quilter provided capacity warranties. Quilter and Old Mutual plc agreed that upon completion there would be no indebtedness owing by a company in the Skandia UK group to the Old Mutual Plc group. Old Mutual plc agreed that if any such indebtedness were discovered after completion it will use its best endeavours to procure that the relevant member of its group waive that indebtedness.

#### *GET Purchase Transaction*

On 30 November 2017 Quilter entered into a share sale and purchase agreement with Old Mutual Group (UK) Limited, pursuant to which Quilter acquired the entire issued share capital of Global

Edge Technologies Proprietary Limited (“GET”). Quilter paid £800,000 in cash for the acquisition. Signing and completion under the agreement was simultaneous. Old Mutual Global Investors (UK) Limited provided title and capacity warranties under this agreement and there were no limitations on liability included. Quilter also provided capacity warranties.

In addition, GET entered into an agreement dated 30 November 2017 to sell all the shares it held in MCZ (Private) Limited to Old Mutual Zimbabwe Limited, and, following the satisfaction of regulatory approvals, this sale completed on 28 February 2018.

On 30 November 2017, Old Mutual Life Assurance Company (South Africa) Limited entered into an agreement with GET, pursuant to which Old Mutual Life Assurance Company (South Africa) Limited would continue to provide certain operational services to GET under a transitional services agreement for a limited period (the “GET TSA”). The GET TSA was intended to provide for certain transitional arrangements to facilitate an orderly separation of Old Mutual Life Assurance Company (South Africa) Limited and GET as part of the broader separation of the four largely independent businesses within the Old Mutual Group as it existed as at 11 March 2016. The services provided under the GET TSA include certain IT, HR, finance, compliance and security functions. Old Mutual Life Assurance Company (South Africa) Limited and GET have also entered into a third party real estate lease.

#### *Commsale Purchase Agreement*

On 29 September 2017, Quilter entered into a share sale and purchase agreement with Old Mutual plc, pursuant to which Quilter acquired the entire issued share capital of Commsale 2000 Limited (the “**Commsale SPA**”). Quilter paid £287,159 in consideration (subject to post-closing adjustment) to be left outstanding on intra-group loan account. Signing and completion under the Commsale SPA was simultaneous. Old Mutual Plc provided title and capacity warranties under the SPA, but there were no limitations on liability included in the Commsale SPA. Under the Commsale SPA, if Quilter identified any matter which has or would be likely to have a material adverse effect on the financial condition, prospects or business of Commsale, which was not provided for in the completion balance sheet of Commsale under the Commsale SPA, then Quilter could deliver a notice to Old Mutual plc at least 20 business days before the separation of Quilter identifying the nature and scope of such matter and an estimate of the financial effect of such matter on Commsale. When Quilter and Old Mutual plc reach agreement on the financial effect of such matter, the consideration paid for the acquisition of Commsale would have been adjusted and a corresponding credit or debit to the intra-group loan account between the parties would have been made.

As part of the acquisition of Commsale under the Commsale SPA, Quilter entered into two deeds of release of tenant’s guarantor and substitute guarantee and indemnity (the “**Commsale Guarantees**”) dated 29 September 2017 relating to the leases to the office premises at Millennium Bridge House (“**MBH Leases**”) under which Commsale is the tenant. The parties to the Commsale Guarantees were MBH LP, Commsale, Old Mutual Plc and Quilter. Under each Commsale Guarantee, Quilter agreed to release Old Mutual plc from all covenants, indemnities and other obligations it had under or in respect of the MBH Leases.

#### *Tier 2 Bond*

A trust deed dated 28 February 2018 constituting the £200,000,000 4.478 per cent. fixed rate reset subordinated notes due 2028 issued by Quilter (the “**Tier 2 Notes**”) was entered into between Quilter as issuer and Citicorp Trustee Company Limited as trustee. The Tier 2 Notes, which were intended to qualify as Tier 2 capital of Quilter on a consolidated basis with effect from the date from which Quilter has a consolidated capital requirement, constitute direct, unsecured and subordinated obligations of Quilter.

A purchase and re-sale agreement dated 28 February 2018, as supplemented by a supplemental purchase and re-sale agreement dated 17 April 2018 relating to the Tier 2 Notes was entered into among Quilter as issuer and J.P. Morgan Securities plc as purchaser of the Tier 2 Notes pursuant to

which J.P. Morgan Securities plc acquired the Tier 2 Notes from Quilter for 100 per cent, of the principal amount thereof, and Quilter provided certain indemnities to J.P. Morgan Securities plc.

#### *New Facilities Agreement*

On 23 February 2018, Quilter entered into a £425 million facilities agreement (the “**New Facilities Agreement**”) with Bank of America Merrill Lynch International Limited, BNP Paribas Fortis, London Branch, Citigroup Global Markets Limited, HSBC Bank plc and National Westminster Bank plc as mandated lead arrangers, with National Westminster Bank plc as facility agent, which provided for a £300 million term loan facility (the “**New Term Loan**”) and a £125 million revolving credit facility (the “**New Revolving Facility**”, together with the New Term Loan, the “**New Facilities**”).

The funds under the New Facilities will be available for general corporate purposes. A commitment fee applies to the New Revolving Facility at a rate of 35 per cent. of the then applicable margin payable on the unused and uncanceled amount of the New Revolving Facility payable from the date of the agreement. An arrangement fee, which is in line with customary terms for such facilities, will be paid in respect of the New Facilities Agreement and certain customary fees will also be payable to the facility agent. The New Facilities will be drawn in pounds sterling.

The New Term Loan would have matured three years from the date of the agreement but was repaid in full on 29 June 2018. The initial term of the New Revolving Facility is five years from the date of the agreement, which can be extended at the request of Quilter, at the discretion of the lenders, on the first anniversary of the date of the agreement and on the second anniversary of the date of the agreement by up to an aggregate of two years. On 23 February 2019, the lenders consented to an extension of the term of the New Revolving Facility to 23 February 2024. Any amounts still outstanding at that time will then be due and payable. Subject to certain conditions, all or part of the utilisations under the New Facilities Agreement may be voluntarily prepaid and all or part of the available commitment may be cancelled. Other than in respect of revolving facilities, any amount prepaid may not be redrawn but the relevant lenders do not have the right to decline any voluntary prepayments.

In addition to voluntary prepayment, prepayment will be required in full or part under certain circumstances including: (i) on the occurrence of an illegality event (that is, if it becomes unlawful in any applicable jurisdiction for a lender to perform its obligations under the New Facilities Agreement); or (ii) if (A) prior to admission to trading, Old Mutual plc ceases to control Quilter or (B) any person or group of persons acting in concert gains control of Quilter. The New Facilities Agreement contains a limited number of customary representations and warranties and customary affirmative and restrictive covenants. The representations and warranties were made by Quilter and in respect of the representations and warranties relating to material litigation, sanctions and anti-corruption refer to other members of its group. In a majority of cases the covenants are applicable to Quilter and in a few cases the covenants only apply to the subsidiaries of Quilter. The restrictive covenants include limitations on creation of security, disposal of assets and incurrence of financial indebtedness by subsidiaries of Quilter, and these covenants contain permitted exceptions and agreed thresholds.

## **7.4 Acquisition-related arrangements**

#### *Confidentiality Agreement*

Intrinsic and Lighthouse entered into the Confidentiality Agreement on 17 January 2019 pursuant to which each of Intrinsic and Lighthouse has undertaken to keep certain information relating to the Acquisition and to the other party confidential and not to disclose such information to third parties except to certain permitted disclosees for the purposes of evaluating the Acquisition or as permitted in writing provided by the other party in advance, and, unless or if required by applicable laws or regulations. The confidentiality obligations of each party under the Confidentiality Agreement shall terminate on 17 January 2021, with certain exceptions.

### *Letter agreement*

On 3 April 2019, Intrinsic and Lighthouse entered into a letter agreement pursuant to which Intrinsic agreed to: (a) prepare and submit a briefing paper to the CMA as soon as reasonably practicable following the date of this document; (b) provide Lighthouse with a reasonable opportunity to comment on drafts of the briefing paper; and (c) notify Lighthouse when the CMA provides any material response to the briefing paper. In addition, Lighthouse has agreed to co-operate and provide information to Intrinsic for this purpose.

## **8. Irrevocable undertakings**

### **8.1 *Lighthouse Directors***

- (a) The following Lighthouse Directors have undertaken that, in respect of their entire beneficial holdings in Lighthouse Shares (as set out below), they shall:
- (i) exercise (or procure the exercise of) all voting rights attaching to the Lighthouse Shares to vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting;
  - (ii) if the Acquisition is effected as a Takeover Offer, accept (or procure the acceptance of) such Takeover Offer in respect of all such Lighthouse Shares; and
  - (iii) not, except pursuant to the Scheme or any Takeover Offer, sell, transfer, charge, encumber, grant any option or lien over or otherwise dispose of any interest in any Lighthouse Shares or any other shares in Lighthouse issued or unconditionally allotted to, or acquired by, such Lighthouse Director, nor enter into any agreement or arrangement, incur any obligation or give any indication of intent to do any such act.

<b>Name (Beneficial Owner)</b>	<b>Number of Lighthouse Shares</b>	<b>Percentage of issued share capital of Lighthouse (excluding shares under option)</b>
Malcolm Streatfield	2,791,563	2.2%
Richard Last	912,500	0.7%
Peter Smith	430,000	0.3%
Alex Scott-Barrett	305,000	0.2%
Kenneth Paterson	100,000	0.1%
<b>TOTAL</b>	<b>4,539,063</b>	<b>3.6%</b>

- (b) The undertakings listed in this paragraph 8.1 will continue to be binding in the event a competing offer is made for Lighthouse.
- (c) The obligations of the Lighthouse Directors under the irrevocable undertakings given by them shall lapse and cease to have effect on and from the earlier of the following occurrences:
- (i) Intrinsic publicly announces, with the consent of the Panel, that it does not intend to proceed with the Acquisition;
  - (ii) if the Scheme Document is not published within 28 days of the date of publication of the Press Announcement (or within such longer period as Lighthouse and Intrinsic may agree, with the consent of the Panel);
  - (iii) the Acquisition lapses, is withdrawn or otherwise terminates in accordance with its terms; or
  - (iv) the Scheme has not become Effective before 11.59 p.m. on the Long Stop Date.

- (d) Malcolm Streatfield, Peter Smith and Kenneth Paterson also hold options over 9,900,778 Lighthouse Shares pursuant to the Lighthouse LTIP. If any of these options are exercised prior to the date of the Lighthouse Meetings, the irrevocable undertakings provide for the directors to vote in favour of the Scheme in respect of the Lighthouse Shares issued as a consequence of any exercise of these options.

## 8.2 *Other Lighthouse Shareholders*

The following persons have given irrevocable undertakings to vote (or procure a vote) in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting in respect of its holdings of Lighthouse Shares or, in the event that the Transaction is implemented by way of a Takeover Offer, to accept (or procure the acceptance of) such Takeover Offer:

<b>Name</b>	<b>Total Number of Lighthouse Shares</b>	<b>Percentage of issued share capital of Lighthouse (excluding shares under option)</b>
Helium Rising Stars Fund	21,756,979	17.0%
Allan Rosengren	20,699,396	16.2%
MI Discretionary Unit Fund	8,510,588	6.7%
<b>TOTAL</b>	<u>50,966,963</u>	<u>39.9%</u>

The obligations of Allan Rosengren under his irrevocable undertaking shall lapse and cease to have effect on and from the earlier of the following occurrences:

- (a) Intrinsic publicly announces, with the consent of the Panel, that it does not intend to proceed with the Acquisition;
- (b) immediately if the Scheme Document is not published within 28 days of the date of publication of this document (or within such longer period as Lighthouse and Intrinsic may agree, with the consent of the Panel);
- (c) the Acquisition lapses, is withdrawn or otherwise terminates in accordance with its terms;
- (d) the Scheme has not become Effective before 11.59 p.m. on the Long Stop Date; or
- (e) any competing offer for the issued and to be issued ordinary share capital of Lighthouse is announced which exceeds Intrinsic's offer price by 10 per cent. or more, and Intrinsic has not issued a revised offer where the value of consideration represents an amount not less than the value of consideration under that competing offer before 11.59 p.m. on the fourteenth day following the date of that announcement.

The obligations of each of Helium Rising Stars Fund and MI Discretionary Unit Fund under the irrevocable undertakings given by them shall lapse and cease to have effect on and from the earlier of the following occurrences:

- (a) Intrinsic publicly announces, with the consent of the Panel, that it does not intend to proceed with the Acquisition;
- (b) immediately if the Scheme Document is not published within 28 days of the date of publication of the Press Announcement (or within such longer period as Lighthouse and Intrinsic may agree, with the consent of the Panel);
- (c) the Acquisition lapses, is withdrawn or otherwise terminates in accordance with its terms;
- (d) the Scheme has not become Effective before 11.59 p.m. on the Long Stop Date; or

- (e) any competing offer for the issued and to be issued ordinary share capital of Lighthouse is announced which exceeds Intrinsic's offer price by 5 per cent. or more, and Intrinsic has not issued a revised offer where the value of consideration represents an amount not less than the value of consideration under that competing offer before 11.59 p.m. on the fourteenth day following the date of that announcement.

## **9. Bases and sources**

Unless otherwise stated in this document:

- 9.1 As at close of business on 12 April 2019 (being the last Business Day prior to the date of this document):
  - (a) Lighthouse had in issue 127,700,298 ordinary shares; and
  - (b) Old Mutual Wealth Holdings Limited, which is presumed to be acting in concert with Intrinsic under the Takeover Code, was the registered holder of 5,581,383 Lighthouse Shares, giving a total number of outstanding shares excluding those owned by Intrinsic or a person acting in concert with Intrinsic of 122,118,915.
- 9.2 Lighthouse does not hold any shares in treasury.
- 9.3 Any reference to the entire issued and to be issued ordinary share capital of Lighthouse is based on:
  - (a) 127,700,298 Lighthouse Shares referred to in paragraph 9.1 above; and
  - (b) 12,163,972 Lighthouse Shares which may be issued on or after the date of this document on the exercise of options under the Lighthouse LTIP.
- 9.4 The excess cash of Lighthouse of approximately £4 million is based on Quilter's and Intrinsic's expectation of the surplus cash of Lighthouse over and above the capital required for regulatory purposes.
- 9.5 The volume-weighted average prices of a Lighthouse Share are derived from data provided by Bloomberg.
- 9.6 Unless otherwise stated, all prices for Lighthouse Shares have been derived from data provided by Bloomberg or the AIM Appendix to the Daily Official List published by the London Stock Exchange and represent Closing Prices on the relevant date(s).
- 9.7 Unless otherwise stated, the balance sheet and income statement financial information relating to Lighthouse is extracted from the Annual Report and Financial Statements of Lighthouse for the period ended 31 December 2018.
- 9.8 Certain figures included in this document have been subject to rounding adjustments.

## **10. Other Information**

- 10.1 Investec has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- 10.2 J.P. Morgan Cazenove has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- 10.3 There is no agreement, arrangement or understanding (including any compensation arrangements) between Intrinsic or any person acting in concert with it and any of the directors, recent directors, shareholders or recent shareholders of Lighthouse or any person interested or recently interested in Lighthouse Shares having any connection with or dependence on or which is conditional upon the outcome of the Acquisition.



- 10.4 There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Lighthouse Shares to be acquired by Intrinsic will be transferred to any other person, save that Intrinsic reserves the right to transfer any such shares to any member of the Intrinsic Group.
- 10.5 The aggregate fees and expenses which are expected to be incurred by Intrinsic in connection with the Acquisition are estimated to amount to approximately £1,318,000 to 1,548,000 excluding applicable VAT. This aggregate number consists of the following categories (in each case excluding applicable VAT):
- (a) financing arrangements: £Nil;
  - (b) financial and corporate broking advice: £500,000;
  - (c) legal advice: £720,000 – £950,000;
  - (d) accounting advice: £20,000;
  - (e) public relations advice: £Nil;
  - (f) other professional services: £28,000; and
  - (g) other costs and expenses: £50,000.
- 10.6 The aggregate fees and expenses which are expected to be incurred by Lighthouse in connection with the Acquisition are estimated to amount to approximately £989,820 excluding applicable VAT. This aggregate number consists of the following categories (in each case excluding applicable VAT):
- (a) financial and corporate broking advice: £576,940;
  - (b) legal advice: £340,000;
  - (c) accounting advice: £Nil;
  - (d) public relations advice: £Nil;
  - (e) other professional services: £72,880; and
  - (f) other costs and expenses: £Nil.
- 10.7 Save as disclosed in this document, the Lighthouse Directors are not aware of any significant change in the financial or trading position of Lighthouse which has occurred since 31 December 2018, being the date of the end of the last financial period for which either audited financial information, preliminary, half-yearly or interim financial information was published.
- 10.8 The person (other than the Intrinsic Directors and Quilter and the other members of the Wider Intrinsic Group) who, for the purposes of the Takeover Code, is acting in concert with Intrinsic or Quilter is J.P. Morgan Cazenove, of 25 Bank Street, Canary Wharf, London E14 5JP as connected adviser.
- 10.9 The persons (other than the Lighthouse Directors and other members of the Wider Lighthouse Group) who, for the purposes of the Takeover Code, are acting in concert with Lighthouse are:
- (a) Investec Bank plc, of 30 Gresham Street, London, United Kingdom EC2V 7QP as connected adviser; and
  - (b) finnCap, of 60 New Broad Street, London EC2M 1JJ as a corporate broker and connected adviser.
- 10.10 A consolidated list of information incorporated by reference in this document is set out in Part 4 of this document.

## **11. Documents on display**

Copies of the following documents will be available, free of charge, on Quilter's and Lighthouse's websites [www.quilter.com/lighthousegroupoffer](http://www.quilter.com/lighthousegroupoffer) and [www.lighthousegroup.plc.uk/investor-relations/](http://www.lighthousegroup.plc.uk/investor-relations/) respectively during the course of the Acquisition:

- 11.1 the irrevocable undertakings referred to in paragraph 8 of this Part 5;
- 11.2 the confidentiality agreement referred to in paragraph 7.4 of this Part 5;
- 11.3 the letter agreement referred to in paragraph 7.4 of this Part 5;
- 11.4 the Lighthouse Articles;
- 11.5 a draft of the Lighthouse Articles as proposed to be amended by the Resolution;
- 11.6 Intrinsic's articles of association and Quilter's articles of association;
- 11.7 the letters of consent referred to in paragraphs 10.1 and 10.2 of this Part 5; and
- 11.8 a copy of this document and the Forms of Proxy.

15 April 2019

## Part 6: The Scheme of Arrangement

NO. CR-2019-001712

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES  
COMPANIES COURT (CHD)  
IN THE MATTER OF LIGHTHOUSE GROUP PLC  
AND  
IN THE MATTER OF THE COMPANIES ACT 2006

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SCHEME OF ARRANGEMENT

*(under Part 26 of the Companies Act 2006)*

BETWEEN

LIGHTHOUSE GROUP PLC

AND

THE LIGHTHOUSE SCHEME SHAREHOLDERS

*(as hereinafter defined)*

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### PRELIMINARY

A In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

“ <b>Announcement Date</b> ”	3 April 2019;
“ <b>Business Day</b> ”	a day, not being a public holiday, Saturday or Sunday, on which banks in London are open for normal business;
“ <b>certificated</b> ” or “ <b>in certificated form</b> ”	not in uncertificated form (that is, not in CREST);
“ <b>Companies Act</b> ”	the Companies Act 2006, as amended from time to time;
“ <b>Company</b> ”	Lighthouse Group plc, a company incorporated in England and Wales with registered number 04042743 and registered address at 26 Throgmorton Street, London EC2N 2AN;
“ <b>Connected Holder</b> ”	Old Mutual Wealth Holdings Limited;
“ <b>Court</b> ”	the High Court of Justice in England and Wales;
“ <b>Court Hearing</b> ”	the Court hearing at which the Company will seek the order sanctioning this Scheme pursuant to Part 26 of the Companies Act;
“ <b>Court Meeting</b> ”	the meeting or meetings of Lighthouse Scheme Shareholders convened by an order of the Court pursuant to section 896 of the Companies Act, for the purposes of considering, and if

	thought fit, approving this Scheme (with or without amendment) and any adjournment, postponement or reconvention thereof;
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under section 899 of the Companies Act;
<b>“CREST”</b>	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) (the <b>“Regulations”</b> ) in respect of which Euroclear is the Operator (as defined in the Regulations) in accordance with which securities may be held and transferred in uncertificated form;
<b>“CREST Manual”</b>	the rules governing the operation of CREST, consisting of the CREST Reference Manual, the CREST International Manual, the CREST Rules, the Registrars Service Standards, the Settlement Discipline Rules, the CCSS Operations Manual, the Daily Timetable, the CREST Application Procedure and the CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996);
<b>“CREST Proxy Instruction”</b>	a proxy appointment or instruction made using the CREST service, by way of the appropriate CREST message, which must be properly authenticated in accordance with Euroclear’s specifications and must contain the information required for such instructions, as described in the CREST Manual;
<b>“Effective”</b>	the Scheme having become effective in accordance with its terms, upon the delivery of the Court Order to the Registrar of Companies in England and Wales;
<b>“Effective Date”</b>	the date on which the Scheme becomes Effective in accordance with Clause 6 of this Scheme;
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, incorporated in England and Wales with registered number 02878738;
<b>“Excluded Shares”</b>	any Lighthouse Shares: <ul style="list-style-type: none"> <li>(a) beneficially owned by Intrinsic or any other member of the Quilter Group (including the Connected Holder);</li> <li>(b) held by the Company in treasury,</li> </ul> at the relevant date or time;
<b>“holder”</b>	a registered holder and includes any person(s) entitled by transmission;
<b>“Intrinsic”</b>	Intrinsic Financial Services Limited, a company incorporated in England and Wales and registered number 05372217 with registered address at Wiltshire Court, Farnsby Street, Swindon SN1 5AH;
<b>“Intrinsic Group”</b>	Intrinsic and its subsidiary undertakings from time to time;
<b>“Lighthouse LTIP”</b>	means the Lighthouse Long Term Incentive Plan;

<b>“Lighthouse Scheme Shares”</b>	<p>Lighthouse Shares:</p> <p>(a) in issue as at the date of this Scheme;</p> <p>(b) (if any) issued after the date of this Scheme and prior to the Voting Record Time; and</p> <p>(c) (if any) issued on or after the Voting Record Time and before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by this Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by this Scheme,</p> <p>but in each case other than the Excluded Shares;</p>
<b>“Lighthouse Scheme Shareholders”</b>	holders of Lighthouse Scheme Shares whose names appear in the register of members of the Company at the Scheme Record Time;
<b>“Lighthouse Shares”</b>	ordinary shares of one pence each in the capital of the Company;
<b>“members”</b>	members of the Company on the register of members at any relevant date or time;
<b>“Pre-Close Dividend”</b>	the 2018 final dividend to be paid by the Company of up to 0.5 pence for each Lighthouse Share as announced on 26 February 2019;
<b>“Quilter”</b>	Quilter plc, a company incorporated in England and Wales with registered number 06404270 and registered address at Millennium Bridge House, 2 Lambeth Hill, London EC4V 4AJ;
<b>“Scheme”</b>	this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by the Company and Intrinsic;
<b>“Scheme Record Time”</b>	6.00 pm on the Business Day immediately after the Court Hearing;
<b>“subsidiary” and “subsidiary undertaking”</b>	have the meanings given in the Companies Act;
<b>“uncertificated” or “in uncertificated form”</b>	in relation to a Lighthouse Scheme Share, recorded on the relevant register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST;
<b>“Voting Record Time”</b>	6.00 pm on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 pm on the day which is two days before the date of such adjourned meeting; and
<b>“£”, or “pence”</b>	the lawful currency of the United Kingdom.

References to Clauses are to Clauses of this Scheme, and references to time are to London time.

- B The share capital of the Company as at the close of business on 12 April 2019 (being the last Business Day prior to the date of this Scheme) was £1,277,002.98 divided into 127,700,298 ordinary shares of one pence each, all of which were credited as fully paid and none of which were held in treasury.
- C Options to acquire up to 12,163,972 Lighthouse Shares pursuant to the Lighthouse LTIP are outstanding at the date of this Scheme. These options will become exercisable (to the extent already not so) if the Court sanctions this Scheme.
- D Intrinsic was incorporated on 22 February 2005 under the laws of England and Wales as a private limited company.
- E As at the close of business on 12 April 2019 (being the last Business Day prior to the date of this Scheme), 5,581,383 Lighthouse Shares were registered in the name of or beneficially owned by Intrinsic, Quilter or any other member of the Quilter Group.
- F Intrinsic, Quilter and any member of the Quilter Group which holds Lighthouse Shares (including the Connected Holder) have agreed to appear by Counsel at the hearing to sanction this Scheme and to submit to be bound by and to undertake to the Court to be bound by this Scheme and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

## THE SCHEME

### 1. Transfer of the Lighthouse Scheme Shares

- 1.1 Upon and with effect from the Effective Date, Intrinsic and/or its nominee(s) shall acquire all of the Lighthouse Scheme Shares and the Lighthouse Shares held by the Connected Holder with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or attaching or accruing to them after the Announcement Date, including (without limitation) voting rights and the right to receive and retain in full all dividends and other distributions (if any), and any other return of capital (whether by way of reduction of share capital or share premium account or otherwise), declared, made or paid on or after the Announcement Date in respect of the Lighthouse Scheme Shares and the Lighthouse Shares held by the Connected Holder, other than the Pre-Close Dividend.
- 1.2 For the purposes of such acquisition, the Lighthouse Scheme Shares and the Lighthouse Shares held by the Connected Holder shall be transferred to Intrinsic and/or its nominee(s) by means of a form of transfer or other instrument or instruction of transfer, or by means of CREST and, to give effect to such transfers, any person may be appointed by Intrinsic as attorney and/or agent and/or otherwise and is hereby authorised as such attorney and/or agent and/or otherwise on behalf of the relevant Lighthouse Scheme Shareholder to execute and deliver as transferor an instrument of transfer of, or give any instructions to transfer, or to procure the transfer by means of CREST of, any Lighthouse Scheme Shares or the Lighthouse Shares held by the Connected Holder, as the case may be, and every instrument or instruction of transfer so executed or instruction given shall be Effective as if it had been executed or given by the holder or holders of the Lighthouse Scheme Shares or by the Connected Holders in respect of the Lighthouse Shares held by it thereby transferred. Such instrument or instruction of transfer shall be deemed to be the principal instrument of transfer and the equitable or beneficial interest in the Lighthouse Scheme Shares or the Lighthouse Shares held by the Connected Holder, as the case may be shall only be transferred to Intrinsic and/or its nominee(s), together with the legal interest in such Lighthouse Scheme Shares or such Lighthouse Shares held by the Connected Holder, pursuant to such instruction or instrument of transfer, or by means of CREST.
- 1.3 Pending the registration of Intrinsic or its nominee(s) as the holder of any Lighthouse Scheme Share or of any Lighthouse Shares held by the Connected Holder to be transferred pursuant to this Scheme, upon and with effect from the Effective Date, each Lighthouse Scheme Shareholder irrevocably appoints Intrinsic (and/or its nominee(s)) as its attorney or, failing that, agent to exercise on its behalf (in place of and to the exclusion of the relevant Lighthouse Scheme Shareholder) any voting rights attached to the Lighthouse Scheme Shares and to the Lighthouse Shares held by the Connected Holder and any or all rights and privileges attaching to the Lighthouse Scheme Shares and to the Lighthouse Shares held by the Connected Holder, to sign any consent to short notice of any general or separate class meetings, to execute a form of proxy in respect of its Lighthouse Scheme Shares appointing any person nominated by Intrinsic to attend any general and separate class meetings of Lighthouse and authorises Lighthouse to send to Intrinsic and/or its nominee(s) any notice, circular, warrant or other document or communication which may be sent to it as a member of Lighthouse, such that from the Effective Date, no Lighthouse Scheme Shareholder shall be entitled to exercise any voting rights attached to the Lighthouse Scheme Shares or to the Lighthouse Shares held by the Connected Holder or any other rights or privileges attaching to the Lighthouse Scheme Shares or to the Lighthouse Shares held by the Connected Holder.
- 1.4 The Company shall register, or procure the registration of, any transfer(s) of Lighthouse Scheme Shares and the Lighthouse Shares held by the Connected Holder effected in accordance with Clause 1.1 and Clause 1.2 of this Scheme.

### 2. Consideration for the transfer of the Lighthouse Scheme Shares

- 2.1 In consideration for the transfer of the Lighthouse Scheme Shares and the Lighthouse Shares held by the Connected Holder, Intrinsic shall (subject to the remaining provisions of this Clause 2) pay to or

for the account of the Lighthouse Scheme Shareholders (as appearing in the register of members of the Company at the Scheme Record Time):

**For each Lighthouse Scheme Share and each Lighthouse Share held by the Connected Holder: 33 pence in cash**

- 2.2 If and to the extent that the Pre-Close Dividend that is paid or is payable by the Company in respect of a Lighthouse Share exceeds 0.5 pence per Lighthouse Share, Intrinsic shall be entitled to reduce the amount of consideration for each Lighthouse Scheme Share and each Lighthouse Share held by the Connected Holder by an amount equal to such excess. If any dividend (or other distribution), other than the Pre-Close Dividend, is paid or becomes payable by the Company in respect of a Lighthouse Share during the period from, and including, the Announcement Date and ending on the Effective Date, Intrinsic shall be entitled to reduce the amount of consideration for each Lighthouse Scheme Share and each Lighthouse Share held by the Connected Holder by an amount equal to such dividend or distribution.
- 2.3 If Intrinsic reduces the consideration in accordance with Clause 2.2, the exercise of such rights shall be the subject of an announcement, and shall not constitute a revision or variation of the terms of this Scheme.
- 2.4 If Intrinsic exercises its right under Clause 2.2 to reduce the offer consideration by all or part of the amount of a dividend (or other distribution) that has not been paid, Lighthouse Shareholders will be entitled to receive and retain any such subsequent dividend (or part thereof).

### **3. Settlement of consideration**

- 3.1 As soon as practicable on or after the Effective Date, and in any event no later than 14 days after the Effective Date, Intrinsic shall satisfy the consideration due to Lighthouse Scheme Shareholders and the Connected Holder pursuant to Clause 2 as follows:
  - (a) in the case of Lighthouse Scheme Shares or Lighthouse Shares held by the Connected Holder which at the Scheme Record Time are in certificated form, procure the despatch to the persons entitled thereto of cheques drawn on a branch of a UK clearing bank for the sums payable to them respectively;
  - (b) in the case of Lighthouse Scheme Shares or Lighthouse Shares held by the Connected Holder which at the Scheme Record Time are in uncertificated form, procure that Euroclear is instructed to create an assured payment obligation in favour of the payment bank of the persons entitled thereto in accordance with the CREST assured payment arrangements for the sums payable to them respectively, provided that Intrinsic reserves the right to make payment of the said sums by cheque as set out in Clause 3.1(a) if, for any reason, it wishes to do so; and
  - (c) in the case of Lighthouse Scheme Shares issued or otherwise acquired on the exercise of options under the Lighthouse LTIP, procure the payment of the sums payable to them respectively directly into the relevant director or employee bank account through the payroll, subject to the deduction of applicable income taxes and social security contributions.
- 3.2 All deliveries of cheques pursuant to this Scheme shall be effected by sending the same by first class post (or international standard post, if overseas) in envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of the Company at the Scheme Record Time, and none of Intrinsic, Quilter, the Company or their respective nominees or agents shall be responsible for any loss or delay in the transmission or delivery of any cheques sent in accordance with this Clause 3.2 which shall be sent at the risk of the persons entitled thereto.
- 3.3 All cheques shall be made payable to the persons respectively entitled to the moneys represented thereby (except that, in the case of joint holders, Intrinsic reserves the right to make such cheques payable to that one of the joint holders whose name stands first in the register of members of the Company in respect of such joint holding), and the encashment of any such cheque, the creation of any such assured payment obligation as is referred to in Clause 3.1(b) shall be a complete discharge to Intrinsic for the moneys represented thereby.



- 3.4 Settlement of the consideration payable to Lighthouse Scheme Shareholders under this Scheme shall, except with the consent of the Panel or save as set out in this Scheme, be implemented in full without regard to any lien, right of set-off, counterclaim or other analogous right to which Intrinsic may otherwise be, or claim to be, entitled against such Lighthouse Scheme Shareholder.

In the case of Lighthouse Scheme Shareholders that have not encashed cheques within six months from the Effective Date, the consideration due to such Lighthouse Scheme Shareholders under the Scheme will be remitted to Lighthouse within six months and one week from the Effective Date to be held by it on trust for such Lighthouse Scheme Shareholders and Lighthouse will notify such Lighthouse Scheme Shareholders at that time. Pending receipt of valid claims by such Lighthouse Scheme Shareholders, Lighthouse will hold the consideration due to such Lighthouse Scheme Shareholders on trust for a period of 12 years from the Effective Date, in a separate UK bank account established solely for that purpose, and such Lighthouse Scheme Shareholders may claim the consideration due to them (plus interest accrued thereon, if any) by written notice to Lighthouse at any time during the period of 12 years from the Effective Date.

- 3.5 The provisions of this Clause 3 shall be subject to any condition or prohibition imposed by law.

#### **4. Share certificates and transfer of entitlements**

With effect from and including the Effective Date:

- 4.1 all certificates representing Lighthouse Scheme Shares and Lighthouse Shares held by the Connected Holder shall cease to have effect as documents of title to the Lighthouse Scheme Shares comprised therein and every Lighthouse Scheme Shareholder shall be bound at the request of the Company to deliver up their share certificate(s) to the Company or to destroy the same;
- 4.2 Euroclear shall be instructed to cancel or transfer the entitlements to Lighthouse Scheme Shares of Lighthouse Scheme Shareholders or Lighthouse Shares in the case of the Connected Holder in uncertificated form; and
- 4.3 appropriate entries shall be made in the register of members of the Company with effect from the Effective Date to reflect the transfer of the Lighthouse Scheme Shares and the Lighthouse Shares held by the Connected Holder.

#### **5. Mandates**

All mandates and other instructions to the Company in force at the Scheme Record Time relating to Lighthouse Scheme Shares shall cease to be valid and effective on the Effective Date.

#### **6. Effective Date**

- 6.1 This Scheme shall become Effective as soon as a copy of the order of the Court sanctioning this Scheme under section 899 of the Companies Act shall have been delivered to the Registrar of Companies in England and Wales.
- 6.2 Unless this Scheme shall have become Effective on or before 11.59 pm on 30 September 2019, or such later date, if any, as the Company and Intrinsic may agree and the Court may allow, this Scheme shall never become effective.

#### **7. Modification**

The Company and Intrinsic may jointly consent on behalf of all concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose.

#### **8. Governing Law**

This Scheme is governed by the laws of England and Wales and is subject to the jurisdiction of the English courts.

Dated: 15 April 2019

## **Part 7: United Kingdom Taxation**

The following information is intended only as a general guide to current UK tax legislation and published HM Revenue and Customs practice as it applies to disposing of Lighthouse Shares. It is intended only for Lighthouse Shareholders who are resident in the United Kingdom for tax purposes and who hold Lighthouse Shares beneficially as investments. The comments do not address the position of certain classes of shareholder such as dealers in securities and do not apply to shareholders who have (or are deemed to have) acquired their shares by virtue of an office or employment, or shareholders who are or will be officers or employees of a group forming part of the Lighthouse Group or the Intrinsic Group.

This section is not intended, and shall not be construed to be, legal or taxation advice to any particular Lighthouse Shareholder. Any Lighthouse Shareholder who is in any doubt as to their tax position, or who is subject to tax in a jurisdiction other than the United Kingdom, should consult their professional adviser.

### **1. UK Taxation of Chargeable Gains**

A Lighthouse Shareholder resident for tax purposes in the UK and whose Lighthouse Shares are subject to the Scheme will be treated as making a disposal of such Lighthouse Shares for the purposes of the UK taxation of chargeable gains (“UK CGT”). Such a disposal may, depending upon the Lighthouse Shareholder’s circumstances and subject to available exemptions or reliefs, give rise to a chargeable gain or allowable loss for UK CGT purposes.

For UK resident individual Lighthouse Shareholders, any chargeable gain arising after taking account of reliefs and exemptions will generally be subject to capital gains tax at the rate of 10 per cent. or, for higher rate taxpayers, 20 per cent.

The capital gains annual exemption (£11,700 for 2018/2019) may be available for UK resident individual Lighthouse Shareholders to offset any chargeable gain (to the extent it has not already been utilised).

For UK resident Lighthouse Shareholders within the charge to corporation tax, an indexation allowance may be available for the period of ownership up to 31 December 2017 to reduce the amount of the chargeable gain (but not to create or increase an allowable loss) realised on a disposal of the Lighthouse Shares. Indexation allowance is not available for the period of ownership from 1 January 2018.

### **2. Stamp Duty and Stamp Duty Reserve Tax**

No UK stamp duty or stamp duty reserve tax should be payable by Lighthouse Shareholders as a result of the disposal of Lighthouse Shares held by them under the Acquisition.

## Part 8: Definitions

The following definitions apply throughout this document, other than in Part 6 of this document and the notices of the Lighthouse Meetings, unless the context requires otherwise.

<b>“Acquisition”</b>	the proposed acquisition by Intrinsic of the entire issued and to be issued share capital of Lighthouse by means of the Scheme, or should Intrinsic so elect, by means of a Takeover Offer;
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange;
<b>“AIM Rules”</b>	the rules of AIM as set out in the publication entitled ‘AIM Rules for Companies’ published by the London Stock Exchange from time to time;
<b>“Announcement”</b>	the joint announcement of the Acquisition by Intrinsic and Lighthouse under Rule 2.7 of the Takeover Code, released on the Announcement Date;
<b>“Announcement Date”</b>	3 April 2019;
<b>“Annual Report and Financial Statements of Lighthouse”</b>	the annual report and financial statements of Lighthouse for the year ended 31 December 2018;
<b>“associated undertaking”</b>	shall be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations);
<b>“Authorisations”</b>	authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, certificates, permissions or approvals;
<b>“Business Day”</b>	a day, not being a public holiday, Saturday or Sunday, on which banks in London are open for normal business;
<b>“Cash Consideration”</b>	means the cash amount of 33 pence payable by Intrinsic under the Acquisition in respect of each Lighthouse Share, as may be adjusted in accordance with the terms of the Acquisition;
<b>“certificated” or “in certificated form”</b>	not in uncertificated form (that is, not in CREST);
<b>“Closing Price(s)”</b>	the closing price of a Lighthouse Share as derived from Bloomberg on any particular date;
<b>“CMA”</b>	the Competition and Markets Authority of the UK;
<b>“CMA Merger Investigation”</b>	the investigation by the CMA to enable it to determine whether to make a reference under section 33 of the Enterprise Act 2002;
<b>“CMA Phase 2 Reference”</b>	a reference pursuant to sections 22, 33, 45 or 62 of the Enterprise Act 2002 (as amended) of the Acquisition to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013;
<b>“Companies Act”</b>	the Companies Act 2006, as amended from time to time;
<b>“Condition(s)”</b>	the conditions of the Acquisition and the Scheme, as set out in Part 3 of this document;

<b>“Connected Holder”</b>	Old Mutual Wealth Holdings Limited;
<b>“connected person” or “persons connected”</b>	in relation to person A, any person whose interests in shares person A is taken to be interested in pursuant to Part 22 of the Companies Act and related regulations;
<b>“Court”</b>	the High Court of Justice in England and Wales;
<b>“Court Hearing”</b>	the Court hearing at which Lighthouse will seek the order sanctioning the Scheme pursuant to Part 26 of the Companies Act;
<b>“Court Meeting”</b>	the meeting or meetings of Lighthouse Scheme Shareholders to be convened by an order of the Court pursuant to section 896 of the Companies Act 2006, notice of which is set out in Part 9 of this document, for the purposes of considering, and if thought fit, approving the Scheme (with or without amendment) and any adjournment, postponement or reconvention thereof;
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under section 899 of the Companies Act;
<b>“CREST”</b>	the relevant system (as defined in the Regulations) in respect of which Euroclear UK & Ireland Ltd is the Operator (as defined in the Regulations) in accordance with which securities may be held and transferred in uncertificated form;
<b>“CREST Manual”</b>	the rules governing the operation of CREST, consisting of the CREST Reference Manual, the CREST International Manual, the CREST Rules, the Registrars Service Standards, the Settlement Discipline Rules, the CCSS Operations Manual, the Daily Timetable, the CREST Application Procedure and the CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996);
<b>“CREST Proxy Instruction”</b>	a proxy appointment or instruction made using the CREST service, by way of the appropriate CREST message, which must be properly authenticated in accordance with Euroclear’s specifications and must contain the information required for such instructions, as described in the CREST Manual;
<b>“Dealing Disclosure”</b>	an announcement pursuant to Rule 8 of the Takeover Code containing details of dealings in relevant securities of a party to an Acquisition;
<b>“Disclosed”</b>	the information which has been fairly disclosed by or on behalf of Lighthouse: <ul style="list-style-type: none"> <li>(a) in writing prior to the Announcement Date Intrinsic or Intrinsic’s professional advisers (in their capacity as such in relation to the Acquisition);</li> <li>(b) in the Annual Report and Financial Statements of Lighthouse;</li> <li>(c) in the Announcement; or</li> <li>(d) in any other public announcement made by Lighthouse after 31 December 2018 and prior to the Announcement Date in accordance with the Market Abuse Regulation, the AIM Rules or the Disclosure Guidance and Transparency Rules;</li> </ul>

<b>“Disclosure Guidance and Transparency Rules”</b>	the Disclosure Guidance and Transparency Rules of the FCA under FSMA and contained in the FCA’s publication of the same name (as amended from time to time);
<b>“EC”</b>	the European Commission of the European Union;
<b>“Effective”</b>	in the context of the Acquisition: <ul style="list-style-type: none"> <li>(a) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or</li> <li>(b) if the Acquisition is implemented by way of the Takeover Offer, the Takeover Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Takeover Code;</li> </ul>
<b>“Effective Date”</b>	the date on which the Acquisition becomes Effective;
<b>“Enlarged Group”</b>	the enlarged group following the Acquisition comprising the Intrinsic Group and the Lighthouse Group;
<b>“EU”</b>	the European Union;
<b>“EUMR”</b>	the EU Merger Regulation (No. 139/2004), as amended;
<b>“Eurozone”</b>	the Member States of the European Union that have adopted the euro as their common currency and sole legal tender;
<b>“Excluded Shares”</b>	any Lighthouse Shares: <ul style="list-style-type: none"> <li>(a) beneficially owned by Intrinsic or any other member of the Quilter Group (including the Connected Holder); and</li> <li>(b) held by Lighthouse in treasury,</li> </ul> at the relevant date or time;
<b>“FCA” or “Financial Conduct Authority”</b>	the Financial Conduct Authority or its successor from time to time;
<b>“FCA Handbook”</b>	the FCA’s Handbook of rules and guidance as amended from time to time;
<b>“Forms of Proxy”</b>	the WHITE form of proxy for use by Lighthouse Scheme Shareholders in connection with the Court Meeting and the YELLOW Form of proxy for use by Lighthouse Shareholders in connection with the General Meeting, both of which accompany this document;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended from time to time);
<b>“General Meeting”</b>	the general meeting of Lighthouse Shareholders (including any adjournment, postponement or reconvention thereof) to be convened for the purpose of considering and, if thought fit approving, the Resolution in relation to the Acquisition, notice of which is set out in Part 10 of this document;
<b>“holder”</b>	a registered holder and includes any person entitled by transmission;

<b>“Intrinsic”</b>	Intrinsic Financial Services Limited, a company incorporated in England and Wales with registered number 05372217 and registered address at Wiltshire Court, Farnsby Street, Swindon SN1 5AH;
<b>“Intrinsic Directors” or “Intrinsic Board”</b>	the directors of Intrinsic as at the date of this document whose names appear in paragraph 2.3 of Part 5 of this document or, where the context so requires, the directors of Intrinsic from time to time;
<b>“Intrinsic Group”</b>	Intrinsic and its subsidiary undertakings from time to time;
<b>“Lighthouse”</b>	Lighthouse Group plc, a company incorporated in England and Wales with registered number 04042743 and registered address at 26 Throgmorton Street, London EC2N 2AN;
<b>“Lighthouse Articles”</b>	the articles of association of Lighthouse, as amended from time to time;
<b>“Lighthouse Directors” or “Lighthouse Board”</b>	the directors of Lighthouse as at the date of this document named in paragraph 2.1 of Part 5 of this document or, where the context so requires, the directors of Lighthouse from time to time;
<b>“Lighthouse Group”</b>	Lighthouse and its subsidiary undertakings from time to time;
<b>“Lighthouse LTIP”</b>	the Lighthouse Long Term Incentive Plan;
<b>“Lighthouse Meetings”</b>	the General Meeting and the Court Meeting;
<b>“Lighthouse Scheme Shareholders”</b>	holders of Lighthouse Scheme Shares;
<b>“Lighthouse Scheme Shares”</b>	Lighthouse Shares: <ul style="list-style-type: none"> <li>(a) in issue as at the date of this document;</li> <li>(b) (if any) issued after the date of this document and prior to the Voting Record Time; and</li> <li>(c) (if any) issued on or after the Voting Record Time and before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme,</li> </ul> but in each case other than the Excluded Shares;
<b>“Lighthouse Share(s)”</b>	the ordinary shares of one pence each in the capital of Lighthouse;
<b>“Lighthouse Shareholder(s)”</b>	holders of Lighthouse Shares;
<b>“Link Asset Services”</b>	the trading name of Link Market Services Limited, a company incorporated in England and Wales with registered number 02605568, being Lighthouse’s registrars;
<b>“London Stock Exchange”</b>	London Stock Exchange plc, a public limited company incorporated in England and Wales with registered number 02075721, or its successor;
<b>“Long-Stop Date”</b>	30 September 2019 or such later date (if any) as Intrinsic and Lighthouse may agree, with the consent of the Panel, and the Court may allow;

<b>“Market Abuse Regulation”</b>	Regulation (EU) No. 597/2014 of the European Parliament and the Council of 16 April 2014 on market abuse;
<b>“Merger Notice”</b>	a notice to the CMA in the prescribed form as contemplated by section 96 of the Enterprise Act 2002;
<b>“Offer Period”</b>	the offer period (as defined by the Takeover Code) relating to Lighthouse, which commenced on 3 April 2019;
<b>“Opening Position Disclosure”</b>	an announcement pursuant to Rule 8 of the Takeover Code containing details on interests or short positions in, or rights to subscribe for, any relevant securities of a party to an Acquisition;
<b>“Optionholder Letters”</b>	the letters and enclosures to be sent to the holders of options under the Lighthouse LTIP in connection with the Acquisition;
<b>“Overseas Shareholders”</b>	shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom;
<b>“Panel”</b>	the Panel on Takeovers and Mergers;
<b>“PRA”</b>	the Prudential Regulation Authority or its successor from time to time;
<b>“Pre-Close Dividend”</b>	has the meaning given in paragraph 2 of Part 1 of this document;
<b>“Quilter”</b>	Quilter plc, a company incorporated in England and Wales with registered number 06404270 and registered address at Millennium Bridge House, 2 Lambeth Hill, London EC4V 4AJ;
<b>“Quilter Directors” or “Quilter Board”</b>	the directors of Quilter as at the date of this document whose names appear in paragraph 2.2 of Part 5 of this document or, where the context so requires, the directors of Quilter from time to time;
<b>“Quilter Group”</b>	Quilter and its subsidiary undertakings from time to time;
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales;
<b>“Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time;
<b>“Regulatory Information Service”</b>	a regulatory information service as defined in the FCA Handbook;
<b>“relevant securities”</b>	unless otherwise specified, shall be construed in accordance with the Takeover Code;
<b>“Resolution”</b>	the resolution proposed to be passed at the General Meeting in connection with, <i>inter alia</i> , implementation of the Scheme and such other matters as may be necessary to implement the Scheme;
<b>“Restricted Jurisdiction(s)”</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to Lighthouse Shareholders in that jurisdiction;
<b>“Scheme”</b>	the proposed scheme of arrangement under Part 26 of the Companies Act between Lighthouse and the holders of the Lighthouse Scheme Shares, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Lighthouse and Intrinsic;

<b>“Scheme Record Time”</b>	6.00 pm on the Business Day immediately after the Court Hearing;
<b>“Significant Interest”</b>	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of: <ul style="list-style-type: none"> <li>(a) the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking; or</li> <li>(b) the relevant partnership interest;</li> </ul>
<b>“Takeover Code”</b>	the Takeover Code issued by the Panel on Takeovers and Mergers, as amended from time to time;
<b>“Takeover Offer”</b>	if (with the consent of Lighthouse and the Panel), Intrinsic elects to effect the Acquisition by way of a takeover offer (as defined in Chapter 3 of Part 28 of the Companies Act), the offer to be made by or on behalf of Intrinsic to acquire the entire issued and to be issued ordinary share capital of Lighthouse on the terms and subject to the conditions to be set out in the related offer document and, where the context permits, any subsequent revision, variation, extension or renewal of such takeover offer;
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“UK Listing Authority”</b>	the UK Listing Authority, being the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
<b>“uncertificated” or “in uncertificated form”</b>	a share or other security recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the Regulations, may be transferred by means of CREST;
<b>“US” or “United States”</b>	the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
<b>“US Exchange Act”</b>	the US Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;
<b>“US Securities Act”</b>	the US Securities Act of 1933, as amended and the rules and regulations promulgated thereunder;
<b>“VAT”</b>	value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature;
<b>“Voting Record Time”</b>	6.00 pm on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 pm on the day which is two days before the date of such adjourned meeting;
<b>“Wider Intrinsic Group”</b>	Intrinsic Group and associated undertakings and any other body corporate, partnership, joint venture or person in which Intrinsic and all such undertakings (aggregating their interests) have a Significant Interest;
<b>“Wider Lighthouse Group”</b>	Lighthouse Group and associated undertakings and any other body corporate, partnership, joint venture or person in which Lighthouse and all such undertakings (aggregating their interests) have a Significant Interest; and
<b>“£”, or “pence”</b>	the lawful currency of the United Kingdom.



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

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted.

All the times referred to in this document are London times unless otherwise stated.

## Part 9: Notice of Court Meeting

NO. CR-2019-001712

IN THE HIGH COURT OF JUSTICE

BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES

COMPANIES COURT (CHD)

INSOLVENCY AND COMPANIES COURT JUDGE BURTON

IN THE MATTER OF LIGHTHOUSE GROUP PLC

AND

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an order dated 12 April 2019 made in the above matters (“**Order**”) the Court has given permission for a meeting to be convened of the holders of the Lighthouse Scheme Shares (as defined in the scheme of arrangement referred to below), for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement proposed to be made between Lighthouse Group plc (“**Company**”) and the holders of the Lighthouse Scheme Shares, and that such meeting shall be held at the offices of DLA Piper UK LLP, 160 Aldersgate Street, London EC1A 4HT at 10.00 am on 10 May 2019, at which place and time all holders of Lighthouse Scheme Shares are requested to attend.

At the meeting, the following resolution will be proposed:

*“That the scheme of arrangement dated 15 April 2019, between the Company and the Lighthouse Scheme Shareholders (as defined in the scheme of arrangement), a print of which has been produced to this meeting and, for the purposes of identification, signed by the Chairman hereof, in its original form or with or subject to any modification, addition or condition which may be agreed in writing by the Company and Intrinsic Financial Services Limited and approved or imposed by the Court, be approved and the directors of the Company be authorised to take all such actions as they consider necessary or appropriate for carrying the scheme of arrangement into effect”.*

Voting on the resolution to approve the scheme of arrangement will be by poll, which shall be conducted as the Chairman may determine. A copy of the said scheme of arrangement and a copy of the explanatory statement required to be furnished pursuant to section 897 of the Companies Act 2006 are incorporated in the document of which this notice forms part.

**Holders of Lighthouse Scheme Shares entitled to attend and vote at the meeting may vote in person at the said meeting or they may appoint another person, as their proxy to attend and vote in their stead. A proxy need not be a member of the Company. A WHITE form of proxy for use at the meeting is enclosed with this notice. Completion of the form of proxy shall not prevent a holder of Lighthouse Scheme Shares from attending and voting at the meeting.**

Entitlement to attend and vote at the meeting or any adjournment thereof and the number of votes which may be cast thereat shall be determined by reference to the register of members of the Company at 6.00 pm on 8 May 2019 or, if the meeting is adjourned, on the day which is two days before the date of such adjourned meeting. In each case, changes to the register of members of the Company after such time shall be disregarded.

By the said Order, the Court has appointed Richard Last or, failing him, Malcolm Streatfield, or, failing him, Peter Smith, to act as Chairman of the meeting and has directed the Chairman to report the result of the meeting to the Court.

The said scheme of arrangement shall be subject to the subsequent sanction of the Court.

**DLA Piper UK LLP**  
*Solicitors for the Company*

Dated: 15 April 2019

**Further notes:**

- (1) A WHITE form of proxy is enclosed with this notice. Instructions for use are shown on the form. Completing and returning a form of proxy will not prevent the shareholder from attending and voting at the meeting (or any adjournment of the meeting) in person, should he subsequently decide to do so.
- (2) It is requested that WHITE forms of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified or office copy of such power or authority, must be received by Link Asset Services at PXS1, 34 Beckenham Road, Beckenham BR3 4ZF not less than 48 hours before the time of the meeting (in other words, by 10.00 am on 8 May 2019) or, as the case may be, the adjourned meeting. A reply-paid envelope has been provided for this purpose for use in the United Kingdom only. Forms of proxy not returned by that time may be handed to the Chairman before the poll is taken and will still be valid.
- (3) You may appoint more than one proxy provided that each proxy is appointed to exercise rights attaching to different shares.
- (4) If you wish to appoint multiple proxies, you may: (a) photocopy a WHITE form of proxy, fill in each copy in respect of different shares and send the multiple forms together to: Link Asset Services at PXS1, 34 Beckenham Road, Beckenham BR3 4ZF, or alternatively (b) call Link Asset Services on the number in paragraph 19 below who will then issue you with multiple proxy forms. In each case, please ensure that all of the multiple proxy forms in respect of one registered holding are sent in the same envelope if possible.
- (5) Subject to the following principles where more than one proxy is appointed, where a WHITE form of proxy does not state the number of shares to which it applies (“**blank proxy**”) then that proxy is deemed to have been appointed in relation to the total number of shares registered in your name (“**member’s entire holding**”). In the event of a conflict between a blank proxy and a proxy which does state the number of shares to which it applies (“**specific proxy**”), the specific proxy shall be counted first, regardless of the time it was sent or received (on the basis that as far as possible, the conflicting forms of proxy should be judged to be in respect of different shares) and remaining shares will be apportioned to the blank proxy (*pro rata* if there is more than one).
- (6) Where there is more than one proxy appointed and the total number of shares in respect of which proxies are appointed is no greater than your entire holding, it is assumed that proxies are appointed in relation to different shares, rather than that conflicting appointments have been made in relation to the same shares.
- (7) If two or more valid but different instruments of proxy are received in respect of the same share for use at the same meeting or on the same poll, the one which is last received (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share and if the Company is unable to determine which was the last received, none of them shall be treated as valid in respect of that share.
- (8) If conflicting proxies are sent or received at the same time in respect of (or deemed to be in respect of) your entire holding, none of them shall be treated as valid.
- (9) Where the aggregate number of shares in respect of which proxies are appointed exceeds your entire holding and it is not possible to determine the order in which they were sent or received (or they were all sent or received at the same time), the number of votes attributed to each proxy will be reduced *pro rata* (on the basis that as far as possible, conflicting forms of proxy should be judged to be in respect of different shares).
- (10) Where the application of paragraph 9 above gives rise to fractions of shares, such fractions will be rounded down.
- (11) If you appoint a proxy or proxies and then decide to attend the meeting in person and vote using your poll card, then your vote in person will override the proxy vote(s). If your vote in person is in respect of your entire holding then all proxy votes will be disregarded. If, however, you vote at the meeting

in respect of less than your entire holding, if you indicate on your polling card that all proxies are to be disregarded, that shall be the case; but if you do not specifically revoke proxies, then your vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding your entire holding.

- (12) In relation to paragraph 11 above, in the event that you do not specifically revoke proxies, it will not be possible for the Company to determine your intentions in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.
- (13) Shareholders who hold shares through CREST and who wish to appoint a proxy or proxies for the meeting or any adjournment(s) by using the CREST electronic proxy appointment service may do so in accordance with the procedures set out in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- (14) 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 UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The appointment must, in order to be valid, be transmitted so as to be received by (CREST Participant ID RA10) at least 48 hours prior to the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Link Asset Services are 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.
- (15) CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK & Ireland Limited 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 or her 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. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (16) Shareholders entitled to attend and vote at the meeting may appoint a proxy electronically by logging on to [www.signalshares.com](http://www.signalshares.com), selecting "Register for the Share Portal" and entering "Lighthouse" in the box provided. "Lighthouse Group plc" will be presented on the next screen and you should click on this. Once you have clicked on this you should follow the prompts on the screen by entering your surname, investor code (which is shown on the personalised Forms of Proxy), postcode, email address and selecting a password. Once you have registered you will have the opportunity to appoint a proxy online. For an electronic proxy to be valid, your appointment must be received by Link Asset Services no later than 48 hours before the time and date set for the meeting.
- (17) 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.
- (18) A shareholder which is a company (a corporation) and which wishes to be represented at the meeting by a person with authority to speak, vote on a show of hands and vote on a poll (a corporate representative) must appoint such a person by resolution of its directors. A corporate representative has the same powers on behalf of the corporation he/she represents as that corporation could exercise if it were an individual member of the Company.

- (19) If you are in any doubt about completing the WHITE form of proxy please telephone Link Asset Services on 0371 664 0300 from within the United Kingdom or on +44 (0) 371 664 0300 if calling from outside the United Kingdom. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside of the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 am to 5.00 pm, Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.
- (20) Any question relevant to the business of the meeting may be asked at the meeting by anyone permitted to speak at the meeting.
- (21) You may alternatively submit your question in advance by way of a letter addressed to the Chairman.
- (22) Voting on the resolution at this meeting will be conducted on a poll rather than a show of hands.

## Part 10: Notice of General Meeting

### LIGHTHOUSE GROUP PLC

*(Incorporated in England and Wales with registered number 04042743)*

NOTICE IS HEREBY GIVEN that a general meeting of Lighthouse Group plc (“**Company**”) shall be held at the offices of DLA Piper UK LLP, 160 Aldersgate Street, London EC1A 4HT at 10.15 am on 10 May 2019 (or as soon thereafter as the Court Meeting has concluded or been adjourned) for the purpose of considering and, if thought fit, passing the following resolution, which shall be proposed as special resolution (terms defined in the document of which this notice forms part shall have the same meaning in this notice unless otherwise expressly defined):

### SPECIAL RESOLUTION

THAT:

1. For the purpose of giving effect to the scheme of arrangement dated 15 April 2019 (“**Scheme**”) between the Company and the holders of Lighthouse Scheme Shares, a print of which has been produced to this meeting and for the purposes of identification signed by the Chairman of the Company, in its original form or subject to any modification, addition or condition agreed in writing by the Company and Intrinsic Financial Services Limited and approved or imposed by the Court, the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect.
2. With effect from the passing of this resolution, the articles of association of the Company be amended by the adoption and inclusion of the following new article 3A:

### “3A SCHEME OF ARRANGEMENT

- (a) In this Article 3A, references to “Scheme” are to the scheme of arrangement dated 15 April 2019 between the Company and the holders of Lighthouse Scheme Shares under Part 26 of the Companies Act 2006 in its original form or with or subject to any modification, addition or condition agreed in writing by the Company and Intrinsic Financial Services Limited (“**Intrinsic**”) approved or imposed by the Court in accordance with its terms. Expressions defined in the Scheme shall have the same meanings in this Article 3A (save as expressly defined in these Articles).
- (b) Notwithstanding any other provision of these Articles, if the Company issues any Ordinary Shares (other than to Intrinsic or its nominee(s)) at or after the Voting Record Time and at or before the Scheme Record Time, such shares shall be issued subject to the terms of the Scheme (and shall be Lighthouse Scheme Shares for the purposes thereof) and the original or subsequent holders of such shares shall be bound by the Scheme accordingly.
- (c) Subject to the implementation of the Scheme and notwithstanding any other provisions of these Articles, if any Ordinary Shares are issued or transferred to any person or his nominee (“**New Member**”) (other than under the Scheme to Intrinsic or its nominee(s)) after the Scheme Record Time (“**Post-Lighthouse Scheme Shares**”) they shall be immediately transferred to Intrinsic (or as it may direct in writing) who shall be obliged to acquire all Post-Lighthouse Scheme Shares in consideration for, and conditional on, the payment by Intrinsic of an amount in cash for each Post-Scheme Share as that New Member would have been entitled to under the Scheme for those Post-Lighthouse Scheme Shares had they been Lighthouse Scheme Shares, provided that the cash payment per share to be paid to a New Member pursuant to this paragraph (c) of this Article may be adjusted by the Directors, in such manner as the auditors of the Company may determine, on any reorganisation of or material alteration to the share capital of the Company (including, without limitation, any subdivision and/or consolidation) effected after the close of business on the Effective Date. References in this Article to Ordinary Shares shall, following such adjustment, be construed accordingly.

- (d) To give effect to any transfer of Post-Lighthouse Scheme Shares required by this Article 3A, the Company may appoint any person as attorney or agent for the New Member to transfer the Post-Lighthouse Scheme Shares to Intrinsic and/or its nominee(s) and do all such other things and execute and deliver all such documents as may in the opinion of the attorney be necessary or desirable to vest the Post-Lighthouse Scheme Shares in Intrinsic or its nominee(s) and pending such vesting to exercise all such rights attaching to the Post-Lighthouse Scheme Shares as Intrinsic may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of Intrinsic) be entitled to exercise any rights attaching to the Post-Lighthouse Scheme Shares unless so agreed in writing by Intrinsic. The attorney or agent shall be empowered to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member (or any subsequent holder) in favour of Intrinsic or its nominees and the Company may give a good receipt for the consideration for the Post-Lighthouse Scheme Shares and may register Intrinsic or its nominees as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Lighthouse Scheme Shares.
- (e) Intrinsic shall settle or procure the settlement of the consideration due under paragraph (c) of this Article within 14 days after the transfer of the Post-Lighthouse Scheme Shares to Intrinsic and/or its nominee(s).
- (f) Notwithstanding any other provision of these Articles, neither the Company nor the Directors shall register the transfer of any Lighthouse Scheme Shares effected between the Scheme Record Time and the Effective Date other than to Intrinsic or its nominee(s)".

**By order of Peter Smith**

*Company Secretary*

**Registered office**

Dated: 15 April 2019

26 Throgmorton Street, London EC2N 2AN

**Notes:**

- (1) Members of the Company entitled to attend and vote at the meeting may vote in person at the said meeting or they may appoint another person, whether a member of the Company or not, as their proxy to attend and vote in their stead. A proxy need not be a member of the Company.
- (2) A YELLOW form of proxy is enclosed with this notice. Instructions for use are shown on the form. Completing and returning a form of proxy will not prevent the shareholder from attending and voting at the meeting (or any adjournment of the meeting) in person, should he subsequently decide to do so.
- (3) To be valid, a YELLOW form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified or office copy of such power or authority, must be received at the offices of Link Asset Services at PXS1, 34 Beckenham Road, Beckenham BR3 4ZF not less than 48 hours before the time of the meeting (in other words, by 10.15 am on 8 May 2019) or, as the case may be, the adjourned meeting. A reply-paid envelope has been provided for this purpose for use in the United Kingdom only.
- (4) You may appoint more than one proxy provided that each proxy is appointed to exercise rights attaching to different shares.
- (5) If you wish to appoint multiple proxies, you may: (a) photocopy a YELLOW form of proxy, fill in each copy in respect of different shares and send the multiple forms together to Link Asset Services, PXS1, 34 Beckenham Road, Beckenham BR3 4ZF, or alternatively (b) call Link Asset Services on the number in paragraph 22 below who will then issue you with multiple proxy forms. In each case, please ensure that all of the multiple proxy forms in respect of one registered holding are sent in the same envelope if possible.
- (6) Subject to the following principles where more than one proxy is appointed, where a YELLOW form of proxy does not state the number of shares to which it applies (a "blank proxy") then that proxy is deemed to have been appointed in relation to the total number of shares registered in your name (the "member's entire holding"). In the event of a conflict between a blank proxy and YELLOW form of proxy which does state the number of shares to which it applies ("specific proxy"), the specific proxy shall be counted first, regardless of the time it was sent or received (on the basis that as far as possible, the conflicting forms of proxy should be judged to be in respect of different shares) and remaining shares will be apportioned to the blank proxy (pro rata if there is more than one).
- (7) Where there is more than one proxy appointed and the total number of shares in respect of which proxies are appointed is no greater than your entire holding, it is assumed that proxies are appointed in relation to different shares, rather than that conflicting appointments have been made in relation to the same shares.

- (8) If two or more valid but different instruments of proxy are received in respect of the same share for use at the same meeting or on the same poll, the one which is last received (regardless of its date or of the date of its execution) shall be treated as replacing and revoking the others as regards that share and if the Company is unable to determine which was the last received, none of them shall be treated as valid in respect of that share.
- (9) If conflicting proxies are sent or received at the same time in respect of (or deemed to be in respect of) your entire holding, none of them shall be treated as valid.
- (10) Where the aggregate number of shares in respect of which proxies are appointed exceeds your entire holding and it is not possible to determine the order in which they were sent or received (or they were all sent or received at the same time), the number of votes attributed to each proxy will be reduced *pro rata* (on the basis that as far as possible, conflicting forms of proxy should be judged to be in respect of different shares).
- (11) Where the application of paragraph 10 above gives rise to fractions of shares, such fractions will be rounded down.
- (12) If you appoint a proxy or proxies and then decide to attend the meeting in person and vote using your poll card, then your vote in person will override the proxy vote(s). If your vote in person is in respect of your entire holding then all proxy votes will be disregarded. If, however, you vote at the meeting in respect of less than your entire holding, if you indicate on your polling card that all proxies are to be disregarded, that shall be the case; but if you do not specifically revoke proxies, then your vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding your entire holding.
- (13) In relation to paragraph 12 above, in the event that you do not specifically revoke proxies, it will not be possible for the Company to determine your intentions in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.
- (14) Entitlement to attend and vote at the meeting or any adjournment thereof and the number of votes which may be cast thereat shall be determined by reference to the register of members of the Company at 6.00 pm on 8 May 2019 or, if the meeting is adjourned, on the day which is two days before the date of such adjourned meeting. In each case, changes to the register of members of the Company after such time shall be disregarded.
- (15) Shareholders who hold shares through CREST and who wish to appoint a proxy or proxies for the meeting or any adjournment(s) by using the CREST electronic proxy appointment service may do so in accordance with the procedures set out in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- (16) 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 UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The appointment must, in order to be valid, be transmitted so as to be received by Link Asset Services (CREST Participant ID RA10) at least 48 hours prior to the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Link Asset Services are 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.
- (17) CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear UK & Ireland Limited 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 or her 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. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
- (18) 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.
- (19) Shareholders entitled to attend and vote at the meeting may appoint a proxy electronically by logging on to [www.signalshares.com](http://www.signalshares.com), selecting "Register for the Share Portal" and entering "Lighthouse" in the box provided. "Lighthouse Group plc" will be presented on the next screen and you should click on this. Once you have clicked on this you should follow the prompts on the screen by entering your surname, investor code (which is shown on the personalised Forms of Proxy), postcode, email address and selecting a password. Once you have registered you will have the opportunity to appoint a proxy online. For an electronic proxy to be valid, your appointment must be received by Link Asset Services no later than 48 hours before the time and date set for the meeting.
- (20) A shareholder which is a company (a corporation) and which wishes to be represented at the meeting by a person with authority to speak, vote on a show of hands and vote on a poll (a corporate representative) must appoint such a person by resolution of its directors. A corporate representative has the same powers on behalf of the corporation he/she represents as that corporation could exercise if it were an individual member of the Company.



- (21) 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 other joint holders. For this purpose, seniority will be determined by the order in which the names stand in the Company's register of members in respect of the joint holding.
- (22) If you are in any doubt about completing the YELLOW form of proxy please telephone Link Asset Services on 0371 664 0300 from within the United Kingdom or on +44 (0) 371 664 0300 if calling from outside the United Kingdom. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside of the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 am to 5.00 pm, Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.
- (23) Any question relevant to the business of the meeting may be asked at the meeting by anyone permitted to speak at the meeting. You may alternatively submit your question in advance by way of a letter addressed to the Chairman.





