

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take you are recommended to seek your own financial advice immediately from an independent financial adviser who specialises in advising on shares or other securities and who is 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 outside the United Kingdom.**

This document comprises a prospectus (the "**Prospectus**") relating to Brooks Macdonald Group plc (incorporated in England and Wales (the "**Company**")) and has been prepared in accordance with the prospectus regulation rules (the "**Prospectus Regulation Rules**") of the Financial Conduct Authority (the "**FCA**") made under section 73A of the Financial Services and Markets Act 2000, as amended from time to time ("**FSMA**"). This Prospectus has been approved by the FCA, as competent authority under assimilated Regulation (EU) 2017/1129 as it forms part of UK law by virtue of the EU (Withdrawal Act) 2018, as amended from time to time (the "**UK Prospectus Regulation**"). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation and such approval should not be considered as an endorsement of the Company or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Company's securities.

This Prospectus is not an offer or invitation to the public to subscribe for or purchase the ordinary shares in the capital of the Company (the "**Ordinary Shares**"). This Prospectus is being issued solely in connection with the admission of the Ordinary Shares to listing on the Equity Shares (Commercial Companies) Category of the Official List of the FCA (the "**Official List**") and to trading on the Main Market for listed securities (the "**Main Market**") of London Stock Exchange plc (the "**London Stock Exchange**") ("**Admission**"). The Prospectus will be made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

Applications have been made to the FCA and the London Stock Exchange for the entire issued ordinary share capital of the Company to be admitted to the Official List and to trading on the Main Market respectively. It is expected that Admission will become effective and that unconditional dealings in the Ordinary Shares will commence on the Main Market at 8:00 a.m. on 28 March 2025. The Ordinary Shares will be cancelled from trading on AIM prior to the commencement of unconditional dealings on the Main Market. No application has been or is currently intended to be made for the Ordinary Shares to be admitted to listing or trading on any other stock exchange.

The Company and the Directors, whose names appear in Part VIII (*Directors and Corporate Governance*) of this Prospectus, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.



## **Brooks Macdonald Group plc**

*(incorporated in England and Wales with registered number 04402058)*

**Admission of up to 16,437,539 Ordinary Shares of £0.01 each to listing on the Equity Shares (Commercial Companies) Category of the Official List of the FCA and to trading on the Main Market of the London Stock Exchange**

### **Sponsor**

**Investec Bank plc**

**You should read this Prospectus (including any information incorporated by reference herein) in its entirety. Please refer to Part II (*Risk Factors*) of this Prospectus for a discussion of certain risks and other factors relating to the Group that should be considered prior to any investment in the Ordinary Shares. You should not rely solely on information summarised in Part I (*Summary*) of this Prospectus.**

Investec Bank plc ("**Investec**" or the "**Sponsor**"), which is authorised by the Prudential Regulation Authority (the "**PRA**") and regulated by the PRA and the FCA in the United Kingdom, is acting exclusively for the Company and no one else in connection with Admission and will not regard any other person (whether or not a recipient of this Prospectus) as a client in relation to Admission and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to Admission or any other matter or arrangement referred to or information contained in this Prospectus.

Apart from the responsibilities and liabilities, if any, which may be imposed on Investec under FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of Investec nor any of its subsidiaries, holding companies, branches or affiliates nor any of their respective directors, officers, employees, agents or advisers, owes or accepts or shall assume any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person in relation to Admission or any other matter or arrangement referred to in this Prospectus or for any acts or omissions of the Company and no representation or warranty, express or implied, is made by any of them as to the contents of this Prospectus, including its accuracy, completeness, verification or sufficiency or for any other statement made or purported to be made by or on the Company's behalf, or by or on Investec's behalf, and nothing in this Prospectus will be relied upon as a promise or representation in this respect, whether to the past or future.

To the fullest extent permitted by law, Investec and its subsidiaries, holding companies, branches and affiliates and each of their respective directors, officers, employees, agents and advisers accordingly disclaim all and any duty, liability and responsibility whether arising in tort, contract, statute or otherwise (save as referred to above) in respect of this Prospectus or any such statement or otherwise. Investec or its affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services to the Company and any of its affiliates, for which they would have received customary fees. Investec or its affiliates may provide such services to the Company and any of its affiliates in the future.

#### **Important notices**

A copy of this Prospectus, together with all information incorporated into this Prospectus by reference to another source, will be made available on the Group's website at <https://www.brooksmacdonald.com/professional-connections/investor-relations>, from the date on which this Prospectus is published. For the avoidance of doubt, information contained on the Group's website, other than the information set out in Part XV (*Documents Incorporated by Reference*), does not form part of this Prospectus. No person has been authorised to give any information or make any representations other than those contained in this Prospectus and any document incorporated into this Prospectus by reference and, if given or made, such information or representation, must not be relied upon as having been so authorised.

The contents of this Prospectus must not be construed as legal, business or tax advice. Investors must inform themselves as to: (i) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of Ordinary Shares; (ii) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Ordinary Shares which they might encounter; and (iii) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of Ordinary Shares. Investors must rely on their own representatives, including their own legal advisers, financial advisers, tax advisers and accountants as to the legal, financial, business, investment, tax, or any other related matters concerning the Company and an investment in the Company. None of the Company and/or Investec nor any of their respective representatives is making any representation to any purchaser of Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such purchaser under the laws applicable to such purchaser.

To the extent relevant, the Company will comply with its obligation to publish supplementary prospectuses pursuant to Article 23 of the UK Prospectus Regulation and Rule 3.4 of the Prospectus Regulation Rules containing further updated information required by law or by any regulatory authority but, except as required by any other applicable law, assumes no further obligation to publish additional information. Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to Article 23 of the UK Prospectus Regulation and Rule 3.4 of the Prospectus Regulation Rules, neither the delivery of this Prospectus nor Admission nor any subsequent subscription or sale of any Ordinary Shares shall, under any circumstances, create any implication that there has been no change in the affairs of the Company or the Group set out in this Prospectus or that the information in it is correct as of any date subsequent to the date of this Prospectus.

#### **Distribution and notice to U.S. and other overseas persons**

The distribution of this Prospectus in certain jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions in relation to the Ordinary Shares or this Prospectus, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Except in the United Kingdom, no action has been taken or will be taken in any jurisdiction that would permit possession or distribution of this Prospectus in any country or jurisdiction where action for that purpose is required. Accordingly, this Prospectus may not be distributed or published in any jurisdiction where to do so would breach any securities laws or regulations of any such jurisdiction or give rise to an obligation to obtain any consent, approval or permission, or to make any application, filing or registration. Failure to comply with these restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction.

This Prospectus does not constitute an offer to subscribe for or otherwise acquire Ordinary Shares in the United States or any other jurisdiction. Securities may not be offered or sold in the United States unless they are registered under the U.S. Securities Act of 1933, as amended, or are exempt from such registration. The Ordinary Shares have not been approved or disapproved by the United States Securities and Exchange Commission, any state's securities commission in the United States or any U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Ordinary Shares or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

This Prospectus is dated 24 March 2025.

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## **PART I SUMMARY**

### **Section A – Introduction and warnings**

#### **Section A.1 – Introduction**

The name of the Company is Brooks Macdonald Group plc. The Company is a public limited company incorporated in England and Wales with registered number 04402058. The Company's registered office is at 21 Lombard Street, London EC3V 9AH. The telephone number of the Company's registered office is +44(0)207 499 6424. The LEI of the Company is 213800WRDF8LB8MIEX37. The ISIN of the Ordinary Shares is GB00B067N833.

This Prospectus has been approved by the FCA as competent authority for listing in the UK. The head office of the FCA is at 12 Endeavour Square, London E20 1JN and the FCA's telephone number is +44(0)207 066 1000. This Prospectus was approved by the FCA on 24 March 2025.

#### **Section A.2 – Warnings**

This summary should be read as an introduction to this Prospectus. This Prospectus should be read in its entirety (including all information incorporated by reference) and any decision to invest in the Ordinary Shares should be based on a consideration of the Prospectus as a whole. Investors could lose all or part of their invested capital. Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or if it does not provide, when read together with the other parts of this Prospectus, key information to aid investors when considering whether to invest in the Ordinary Shares.

### **Section B – Key information on the issuer**

#### **Section B.1 – Who is the issuer of the securities?**

##### **B.1.1 Legal and commercial name and LEI**

The name of the Company is Brooks Macdonald Group plc. The Company's LEI is 213800WRDF8LB8MIEX37.

##### **B.1.2 Domicile, legal form, legislation and country of incorporation**

The Company is a public limited company incorporated under the laws of England and Wales. The Company is domiciled in the United Kingdom and operates under English law. The Company was incorporated under the Companies Act 1985 on 22 March 2002 as Brooks Macdonald Group Limited with registered number 04402058. It was re-registered as a public limited company with its current name on 17 February 2005. The Company is subject to the Takeover Code.

##### **B.1.3 Principal activities**

Brooks Macdonald is a leading provider of wealth management services in the UK. The Group's two business areas are: Adviser Solutions, which provides outsourced discretionary investment management services via Financial Advisers to their private and corporate clients; and Financial Planning, which provides both restricted and independent 'whole of market' advice to high-net-worth individuals, enabling them to build, manage and protect their wealth.

#### B.1.4 Major shareholders

As at the Latest Practicable Date and insofar as is known to the Company, the following Shareholders are directly or indirectly interested in 3 per cent or more of the voting rights of the Company (being the threshold for notification of voting rights pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules):

Name of Shareholder	Number of Ordinary Shares	Percentage of total voting rights
Gresham House plc	3,278,602	19.95
Liontrust Asset Management	3,021,620	18.38
Aberforth Partners	1,043,030	6.35
Brooks Macdonald Asset Management Limited	992,766	6.04
Jupiter Fund Management	938,000	5.71
Artemis Investment Management	754,483	4.59
Canaccord Genuity Group Inc.	751,545	4.57
Invesco	742,778	4.52
Chelverton Asset Management	618,471	3.76

#### B.1.5 Key managing directors

The Executive Directors of the Company are Andrea Montague (Chief Executive Officer) and Katherine Jones (Chief Financial Officer).

#### B.1.6 Statutory auditors

The statutory auditors of the Company and the Group are PricewaterhouseCoopers LLP ("PwC") of 7 More London Riverside, London SE1 2RT.

### Section B.2 – What is the key financial information regarding the issuer?

#### B.2.1 Selected historical key financial information

The selected historical key financial information set out below has been extracted without material adjustment from the audited consolidated financial statements of the Group as at and for each of the financial years ended 30 June 2022, 30 June 2023 and 30 June 2024, and the unaudited condensed consolidated financial statements of the Group as at and for the six months ended 31 December 2024, which have been incorporated into this Prospectus by reference.

##### **Consolidated Income Statement**

	Year ended 30 June (£m) (audited)			Six months ended 31 December (£m) (unaudited) <sup>1</sup>	
	2024	2023	2022	2024	2023
Total revenue	128.3	123.8	122.2	51.9	53.3
Operating profit	20.4	21.4	26.9	8.5	10.5
Profit/(loss) before tax	11.6	22.2	29.5	12.6	11.7
Profit/(loss) after tax from discontinued operations				0.4	(12.3)
Total comprehensive income/(expense)	6.5	18.1	23.4	9.6	(3.4)

### Consolidated Statement of Financial Position

	As at 30 June (£m) (audited)			As at 31 December (£m) (unaudited) <sup>1</sup>	
	2024	2023	2022	2024	2023
Total assets	193.0	195.2	186.1	195.5	181.7
Total liabilities	(40.7)	(37.9)	(37.7)	(38.9)	(34.0)
Net assets	152.3	157.3	148.4	156.6	147.7
Total equity	152.3	157.3	148.4	156.6	147.7

### Consolidated Statement of Cash Flows

	Year ended 30 June (£m) (audited)			Six months ended 31 December (£m) (unaudited) <sup>1</sup>	
	2024	2023	2022	2024	2023
Net cash generated from operating activities	36.9	25.0	30.5	7.9	15.5
Net cash used in investing activities	(29.5)	(18.0)	(9.3)	(7.2)	0.2
Net cash used in financing activities	(16.1)	(14.9)	(14.8)	(9.8)	(10.1)
Net (decrease)/increase in cash and cash equivalents	(8.7)	(7.9)	6.4	(9.1)	5.6
Cash and cash equivalents at beginning of period	53.4	61.3	54.9	44.7	53.4
Less cash held in disposal group				(6.1)	-
Cash and cash equivalents at end of period	44.7	53.4	61.3	29.5	59.0

1. The Company has classified BMI as discontinued operations in the Group's financial results for the six months ended 31 December 2024 (and in its financial results for the six months ended 31 December 2023, presented here for comparative purposes). BMI's net assets have been classified as held for sale on its statement of financial position as at 31 December 2024. BMI has not been classified as discontinued operations and/or as held for sale in the Group's financial results for the years ended 30 June 2022, 30 June 2023 or 30 June 2024. The Company announced completion of the BMI Disposal on 24 February 2025. During the six months ended 31 December 2024 the Group disposed of its DCF fund management operations and these have also been classified as discontinued operations in the Group's financial results for the six months ended 31 December 2024 (and for the six months ended 31 December 2023).

### Non IFRS Financial Measures

The tables below present certain unaudited, non-IFRS financial measures. These are not meant to be considered in isolation or as a substitute for financial performance metrics of the Group reported in accordance with IFRS. They present figures for the Group's underlying profit before tax (providing a reconciliation to its statutory total comprehensive income/(expense)), underlying basic earnings per share, and funds under management, in each case as at/for the financial years ended 30 June 2022, 30 June 2023 and 30 June 2024, and as at/for the six months ended 31 December 2024.

	Year ended 30 June (£m)			Six months ended 31 December (£m) <sup>2</sup>	
	2024	2023	2022	2024	2023
Revenue	128.3	123.8	122.2	51.9	53.3
Total underlying costs	(94.2)	(93.5)	(87.7)	(36.4)	(37.5)
Underlying profit before tax	34.1	30.3	34.5	15.5	15.8
Goodwill impairment	(11.6)	-	-	-	-
Amortisation of client relationships	(6.0)	(5.7)	(5.5)	(1.7)	(1.7)
Organisational restructure	(3.0)	-	-	(1.1)	(2.1)

BMI strategic review	(1.5)	-	-	-	-
Acquisition and integration-related costs	(0.4)	(0.6)	-	(2.5)	(0.4)
Dual-running operating platform costs	-	(1.6)	(2.4)	-	-
Changes in fair value and finance cost of deferred contingent consideration	-	(0.2)	-	-	-
Other non-operating income	-	-	2.9	2.4	0.1
Total underlying adjustments <sup>1</sup>	(22.5)	(8.1)	(5.0)	(2.9)	(4.1)
Statutory profit/(loss) before tax	11.6	22.2	29.5	12.6	11.7
Taxation	(5.2)	(4.1)	(6.1)	(3.4)	(2.8)
Profit/(loss) after tax from discontinued operations				0.4	(12.3)
Total statutory comprehensive income/(expense)	6.4	18.1	23.4	9.6	(3.4)

	As at/for the year ended 30 June			As at/for the six months ended 31 December <sup>2</sup>	
	2024	2023	2022	2024	2023
Underlying basic earnings per share	163.8p	153.8p	174.1p	69.6p	73.9p
FuM	£18.0bn	£16.8bn	£15.7bn	£15.7bn	£15.1bn

1. Certain costs are excluded from the calculation of underlying profit before tax on the basis of their non-cash or non-recurring nature.
2. The Company has classified BMI as discontinued operations in the Group's financial results for the six months ended 31 December 2024 (and in its financial results for the six months ended 31 December 2023, presented here for comparative purposes). BMI has not been classified as discontinued operations and/or as held for sale in the Group's financial results for the years ended 30 June 2022, 30 June 2023 or 30 June 2024. The Company announced completion of the BMI Disposal on 24 February 2025. During the six months ended 31 December 2024 the Group disposed of its DCF fund management operations and these have also been classified as discontinued operations in the Group's financial results for the six months ended 31 December 2024 (and for the six months ended 31 December 2023).

## B.2.2 Selected key pro forma financial information

Not applicable.

## B.2.3 Qualifications in the audit report

The audit reports on the historical financial information incorporated by reference into this Prospectus do not contain any qualifications.

## Section B.3 – What are the key risks that are specific to the issuer?

### B.3.1 Key risks

#### ***Business, Industry and Market Risks***

Conditions in capital markets and the economy may adversely affect the business and financial results of the Group.

Sustained investment management underperformance within the Group could adversely affect its business, profitability and growth.

The Group may not be able to successfully execute its strategic initiatives, which could have a material adverse effect on its business, financial results, financial condition and prospects.

The Group's business is conducted in a highly competitive environment and the Group may not be successful in anticipating and responding to competitive change, client or Financial Adviser

preferences or demographic trends in a timely and cost-effective manner, which could have a material adverse effect on its business, financial results, financial condition and prospects.

The markets in which the Group operates are characterised by continued improvements in technology and operational infrastructure and the Group may fail to keep pace with such changes, which could have a material adverse effect on its business, financial results, financial condition and prospects.

The Group is reliant on its ability to attract and retain talented Financial Advisers, investment and portfolio managers and senior management, and failure to do so could have a material adverse effect on the Group's business, financial results, financial condition and prospects.

### ***Operational Risks***

The Group's assets may not be sufficiently liquid to meet its needs, it may not be able to access sufficiently liquid assets, and/or it may only be able to do so at excessive cost, which could have a material adverse effect on the Group's business, financial results, financial condition and prospects.

The Group may be unable to maintain the availability of its systems, which could compromise its ability to conduct its business, prejudice relationships with business partners and clients, and therefore have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

The Group holds a significant amount of sensitive or confidential information which could be stolen or the subject of a data breach or cyber attack. This could result in reputational damage, financial loss and/or exposure to legal or regulatory consequences, any of which could have a material adverse effect on the Group's business, financial results, financial condition and prospects.

### ***Legal and Regulatory Risks***

The Group is subject to the risk of having insufficient capital resources and liquid assets to meet minimum regulatory requirements, and breach of such requirements could have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

The Group is subject to extensive regulation and supervision by the FCA, and regulatory enforcement action could have a material adverse effect on its business, reputation, financial results, financial condition and prospects.

The Group may fail to protect its business and clients from all aspects of financial crime including fraud, money laundering, market abuse and breach of sanctions laws, which could have a material adverse effect on its business, financial results, financial condition and prospects.

## **Section C – Key information on the securities**

### **Section C.1 – What are the main features of the securities?**

#### **C.1.1 Description of type and class of securities**

The Ordinary Shares are fully paid ordinary shares of the Company with a nominal value of £0.01 each. The Company has one class of Ordinary Shares comprising the entire issued share capital of the Company. The Ordinary Shares are registered with ISIN GB00B067N833 and SEDOL number B067N83. Following Admission the Ordinary Shares will continue to trade on the Main Market of the London Stock Exchange under the ticker code BRK.



### **C.1.2 Currency of securities**

The Ordinary Shares are denominated in pounds sterling.

### **C.1.3 Number of securities issued and nominal value**

As at the Latest Practicable Date, the Company had in issue 16,437,539 fully paid Ordinary Shares with a nominal value of £0.01 each and a total aggregate nominal value of £164,375.39.

### **C.1.4 Rights attaching to the securities**

The Ordinary Shares rank equally and form a single class for all purposes, including with respect to voting and any dividends or other distributions declared, made or paid in respect of the Ordinary Shares. On a show of hands each Shareholder has one vote and on a poll each Shareholder has one vote per Ordinary Share held.

### **C.1.5 Seniority of securities**

The Company has one class of Ordinary Shares comprising the entire issued share capital of the Company. The holders of Ordinary Shares are entitled to participate in the return of surplus assets on a winding up of the Company in proportion to their shareholdings. There is no difference in seniority between the Ordinary Shares. There are no other securities in issue which rank above the Ordinary Shares in the event of an insolvency.

### **C.1.6 Restrictions on free transferability of the securities**

On Admission there will be no restrictions on the free transferability of the Ordinary Shares, other than certain transfer restrictions under the Companies Act for persons failing to respond to statutory notices issued by the Company requiring information about interests in its Ordinary Shares.

### **C.1.7 Dividend policy**

Brooks Macdonald has a progressive dividend policy. It has consistently grown dividends year-on-year, with dividend increases in each of the 19 years prior to publication of this Prospectus (i.e., since it started trading on AIM in 2005). The Company intends to continue to announce dividends at the time of publication of its annual and interim results each year. The Board recognises the importance of dividends to Shareholders and the benefit of providing sustainable Shareholder returns. In determining the level of dividend in any year, the Board considers a number of factors such as the level of retained earnings, future cash commitments, statutory profit cover, capital and liquidity requirements and the level of profit retention required to sustain the growth of the Group. The ability of the Company to pay dividends is dependent on a number of factors and the Board may revise the Company's dividend policy from time to time.

## **Section C.2 – Where will the securities be traded?**

### **C.2.1 Admission**

Applications have been made to the FCA and the London Stock Exchange for all of the issued Ordinary Shares of the Company to be admitted to listing on the Equity Shares (Commercial Companies) Category of the Official List of the FCA and to trading on the Main Market for listed securities of the London Stock Exchange, respectively.

## **Section C.3 – What are the key risks that are specific to the securities?**

### **C.3.1 Key risks**

The market price of the Ordinary Shares could be subject to volatility, which may result in a material decline in the market price of the Ordinary Shares and the loss of some or all of any investment in the Ordinary Shares.

From Admission the Ordinary Shares will no longer benefit from certain tax reliefs available in relation to companies admitted to trading on AIM, and accordingly there may be adverse tax consequences in relation to holding (or continuing to hold) an investment in the Ordinary Shares.

The Company's ability to pay dividends on the Ordinary Shares in the near term and its ability to pay dividends in the future is not guaranteed, and Shareholders may not receive a return (or may receive a smaller return than anticipated) on their investment in the Ordinary Shares.

## **Section D – Key information in relation to Admission**

### **Section D.1 – Under which conditions and timetable can I invest in this security?**

#### **D.1.1 Terms and conditions of the offer**

This Prospectus has been published solely in connection with Admission and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or to buy, any Ordinary Shares in any jurisdiction. As at the date of this Prospectus the Ordinary Shares are traded on AIM. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence on the Main Market of the London Stock Exchange by no later than 8:00 a.m. on 28 March 2025.

### **Section D.2 – Why is this document being produced?**

#### **D.2.1 Reasons for the Prospectus**

This Prospectus is being produced solely in connection with the applications which have been made to the FCA for the Ordinary Shares to be admitted to listing on the Equity Shares (Commercial Companies) Category of the Official List and to the London Stock Exchange for the Ordinary Shares to be admitted to trading on the Main Market.

## **PART II**

### **RISK FACTORS**

*Investors should carefully consider the risks and uncertainties associated with any investment in the Ordinary Shares. Investors should consider all information contained in this Prospectus including, in particular, the risk factors described below.*

*The risks summarised in the section of this Prospectus entitled "Summary" are the risks that the Directors believe to be the most pertinent to an assessment of whether to invest in the Ordinary Shares. However, as the risks the Group faces relate to events or depend on circumstances that may or may not occur in the future, investors should consider not only the information on the risks summarised in the section of this Prospectus entitled "Summary" but also, among other things, all of the risks and uncertainties described below.*

*The following risk factors are not an exhaustive list or explanation of all risks associated with an investment in the Ordinary Shares. Additional risks and uncertainties that are not currently known to the Group, or that the Directors currently deem immaterial, may also have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects. If any such risks should materialise, the price of the Ordinary Shares may decline, and Shareholders could lose all or part of their investment. Investors should carefully consider whether an investment in the Ordinary Shares is suitable for them in light of the information in this Prospectus and their personal circumstances.*

#### **1. RISKS RELATING TO THE GROUP'S BUSINESS AND THE INDUSTRY AND MARKETS IN WHICH IT OPERATES**

##### **1.1 Conditions in capital markets and the economy may adversely affect the business and financial results of the Group**

The Group's results may be adversely affected by conditions in global capital markets and the global economy generally. A variety of factors including concerns over low levels of growth and recession in developed and emerging economies, decline in corporate profits, high levels of sovereign debt, persistently high inflation and long-term higher interest rates have led to ongoing uncertainty in the global economy, which may result in continued volatility in financial markets and market or trading liquidity.

Factors such as consumer spending and sentiment, business investment, government spending and investment, the volatility and strength of both debt and equity markets, inflation and interest rates all affect the business and economic environment in which the Group operates, the demand and behaviour of consumers, the demand for financial products and, ultimately, the volume and profitability of the Group's business.

The financial performance of the Group is correlated with market conditions. Economic uncertainty and volatility may have an adverse effect on the Group, in part because it manages large investment portfolios, provides investment advice, and provides products and services to Financial Advisers who provide investment advice to clients. The Group is therefore affected by the performance of capital markets and by investor and client behaviour. Poor market performance could lead to a decline in the value of funds under management ("**FuM**"), a decline in the ability of the Group to attract new clients, Financial Advisers and FuM, clients withdrawing their deposits, and ultimately to a reduction in fees. In addition, the Group may experience a decline in the value of FuM on account of its exposure to particular economies or sectors, should there be a decline or depression in such economies or sectors.

A new, severe or prolonged economic downturn could result in a decline in new business and/or lower fees for the Group in the future. If the recent period of high inflation

persists, staff costs and other operating expenses could increase, and if interest rates are reduced further in light of falling inflation or in the context of a further or more prolonged downturn, interest income on client deposits could reduce. If the business does not react in an optimal manner to any of the aforementioned, this could have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

## **1.2 Sustained investment management underperformance within the Group could adversely affect its business, profitability and growth**

Any sustained period of actual or perceived investment management underperformance across the Group relative to competitors, benchmarks or internal targets, could negatively impact the Group. If the Group fails on a sustained basis to provide satisfactory investment management returns, clients may decide to reduce their investments or withdraw them altogether, and Financial Advisers may decide to leave or cease dealing with the Group. Due to the number of different investment management products offered by the Group, performance may vary significantly where an underlying asset class or asset materially underperforms, in particular where the relative concentration of that particular asset class or asset is relatively high. Actual or perceived investment underperformance relative to competitors or benchmarks could also make it more difficult for the Group to attract new clients and Financial Advisers, and could lead to reputational and brand damage, complaints and/or challenges to fees charged. Any such investment underperformance could, therefore, have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

## **1.3 The Group may not be able to successfully execute its strategic initiatives**

The Group has three strategic priorities: delivering excellent client service, broadening and deepening its client reach, and driving scale and efficiencies. It aims to grow its FuM and advice fee revenue by acquiring new clients, growing inflows from existing clients, delivering strong investment performance, providing additional financial planning advice and attracting demand from Financial Advisers, with a focus on the UK wealth market and, in particular, on the Group's core target market of individuals, at whatever point in their investment lifecycle, seeking expert financial advice and high-quality investment management. The Group's business model is built around client needs and brings together financial advice, integrated wealth management and multi-asset investment solutions. If the Group fails to execute on or benefit from its strategy of aiming to provide leading UK wealth management services, it may have a material adverse effect on the Group's business, financial results, financial condition and prospects.

In addition, the Group is targeting 5 per cent growth in annualised net flows and less than 5 per cent growth in BAU cost per annum over the medium term. However, there can be no assurance that the Group will be able to maintain its financial performance, either at historical or targeted future levels.

Successful execution of the Group's strategy is not guaranteed and depends upon such factors as the Group's ability to accurately predict the type of products and the level of advice required by its target client base, and to price such products and services competitively. If one or more of the assumptions that the Group has made in setting its targets or objectives are inaccurate, or if one or more of the risks described in this section occur, the Group may be unable to achieve its strategy or one or more of its targets or objectives. If the Group's strategy is not implemented successfully, if the Group's strategy does not yield the anticipated benefits, or if the Group is unable to control costs in delivering its strategy, the Group may be unable to achieve its targets and objectives,

which could have a material adverse effect on the Group's business, financial results, financial condition and prospects.

**1.4 The Group's business is conducted in a highly competitive environment and the Group may not be successful in anticipating and responding to competitive change, client or Financial Adviser preferences or demographic trends in a timely and cost-effective manner**

The UK investment management market is highly competitive, and the Group expects such competition to intensify in response to competitor behaviour, consumer preferences, technological changes, the impact of consolidation, regulatory actions and other factors. The Group faces the risk that clients and Financial Advisers do not prefer the Group's investment management and financial planning product and service offerings to those of its competitors.

The factors affecting the Group's ability to sell its products and services and achieve continued profitability include investment management and market performance, price and yields offered, financial strength and ratings, range of product lines and product and service quality, choice of distributor and distribution method, quality of advice, client perception of the Group's multi-channel offering, brand strength, innovation of competitors, the degree to which the Group keeps pace with technological change, developing demographic trends and client appetite for certain products. For example, as is commonplace in an investment management business, many of the Group's clients are in their sixties or older, since older clients tend to have more significant assets to invest. The Group will lose FuM if clients withdraw assets for use in retirement, or if clients pass away. There will therefore be a continued need for the Group to attract new clients in the future to compensate for any attrition, and for the Group to develop its product set to keep pace with demographic trends, such as decumulation products, intergenerational transfers and the technological/product preferences of younger generations. If the Group is unable to attract new clients in the future, or if younger generations of clients do not generate wealth at a rate similar to historical periods, or if younger clients' technological/product preferences are different from older clients, the Group may experience decreased demand for its products and services.

The Group faces competitors in the investment management sector that are larger, have greater financial resources or a greater market share, offer a different range of products or offer technology-enabled solutions that may be perceived as better than those provided by the Group. The Group's competitors could offer similar products or services at a lower price and thereby undercut the Group's offerings. The Group's ability to generate an appropriate return depends significantly upon its capacity to anticipate and respond appropriately to these competitive pressures and trends. The Group could also be affected by consolidation in the financial advice market in the future. If firms in the Group's network sell down their business and are acquired by rival networks or by firms in rival networks, the Group could lose access to a significant number of Financial Advisers, a key distribution channel for the Group's business. As such, if there is a significant amount of market consolidation among financial advice firms, it could adversely impact the Group's FuM. In addition, the Group's profit margins could be affected, in part, by increased competition if it is unable to maintain its market share, service levels, pricing, quality of service or ability to respond to consumer preferences, including with regard to the increasing popularity of technology-based solutions.

The Group provides financial advice and aims to attract Financial Advisers and clients to its products and services by adding value rather than solely providing automated, index-based or other passive solutions. However, given that approximately 75 per cent of the

Group's FuM was intermediated through Financial Advisers as at 31 December 2024, the Group does face competition from passive fund strategies and direct-to-consumer advice models, such as emerging financial technology competitors. The Group thus faces the risk that its proposition may not appeal to certain clients or that certain clients withdraw FuM from their Financial Advisers in favour of competing models. Equally, clients may move away from advice-based models to self-directed, execution-only models.

If the Group is not successful in anticipating and responding to competitive change, Financial Adviser or client preferences, or demographic trends in a timely and cost-effective manner, this could have a material adverse effect on its business, financial results, financial condition and prospects.

**1.5 The asset classes or investment strategies underlying the advice and portfolios provided or managed by the Group may become less attractive to clients and Financial Advisers, which could reduce demand for the Group's products**

The Group's product offering includes multi-asset solutions that combine products of the Group and a range of other providers, across various asset classes and geographies. These investment products and solutions are, in part, determined by the relative attractiveness to investors of the respective asset classes, portfolio mix or investment strategy, as relevant.

If these asset classes or investment strategies were to become unsuitable for clients or Financial Advisers, or if there were to be a significant shift towards investors investing through competing suppliers or products, such as passive or index-based investment products, or investment vehicles representing asset classes that the Group does not offer, there may be reduced sales and/or increased redemptions of FuM. For example, the Group currently offers certain products, such as its AIM Portfolio Service and Gilts Service, which generate demand from clients and Financial Advisers as a result of beneficial tax treatment. Any changes or anticipated changes to this treatment could reduce demand for such products, reduce their value, result in clients withdrawing funds, and negatively impact FuM and fee revenue.

Any of the aforementioned could have a material adverse effect on the Group's business, financial results, financial condition and prospects.

**1.6 Failure by the Group to offer products and services that meet client and Financial Adviser needs, and which are considered suitable, could result in the loss of clients and Financial Advisers, clients and Financial Advisers ceasing to recommend the Group's products or services, or recommending fewer of the Group's products or services, and declining prominence of the Group's products**

The Group is reliant on its ability to offer advice, products and services that meet clients' needs, so that clients will continue to have demand for the Group's offerings and Financial Advisers will continue to recommend investment solutions that are managed or administered by the Group. Financial Advisers may choose from a panel of the Group's products and services to provide choices that meet the needs of their client base, but in most cases can choose from a wider solution base provided by third parties if the Group's products and services do not meet a client's needs. The successful distribution of the Group's products and services therefore depends, in part, on the choices a Financial Adviser makes with regard to the advice, products or services it gives to clients.

A Financial Adviser may make judgements on the suitability of wealth management products and services for its clients by considering, among other things, the client's tolerance for risk and prospects for future investment returns in light of the product offering, past investment performance, perceived financial strength and stability, credit

and other ratings (if applicable), the quality of the service, price, technical support and other product features. A Financial Adviser may choose a preferred product or service for clients based on ease of use, breadth of products and fund managers offered, perceived reliability and service, technological features and other factors. An unfavourable assessment of the Group or its products or services based on any of these factors could result in the Group generally, or certain of its products or services, not being actively marketed by Financial Advisers to clients, resulting in the Group's sales volumes decreasing, or withdrawals increasing, and reduced fees and other income.

The Group is also exposed to the risk that Financial Advisers may change their business models in ways that affect how they recommend the Group's products or services, either in response to changing business priorities or as a result of shifts in regulatory supervision or potential changes in applicable laws and regulations. This may concern, for instance, requirements and standards applicable to the distribution of the Group's products or services, as well as changes in distribution trends. For example, the increasing popularity of internet-based investing systems and platforms in recent years has led to the growth of Financial Advisers offering simplified investment management services to certain segments of the market. Each of these factors may result in Financial Advisers ceasing to recommend the Group's products or services, or recommending fewer of the Group's products or services, and declining prominence of the Group's products. Any of these factors could have a material adverse effect on the Group's business, financial results, financial condition and prospects.

**1.7 The markets in which the Group operates are characterised by continued improvements in technology and operational infrastructure and the Group may fail to keep pace with such changes**

The markets in which the Group operates are characterised by continued improvements in technology and operational infrastructure, including changes in use and Financial Adviser or client requirements and preferences, frequent product and service introductions employing new technologies, and the emergence of new industry standards and practices that could render the Group's existing technology and systems obsolete. In particular, the markets in which the Group operates are being impacted by the rise of technology enabled and automated trading, investment advice, fraud detection, client service and portfolio management, with potential for significant disruption from the development and adoption of artificial intelligence solutions.

There can be no assurance that the Group will be able to anticipate and respond to the demand for new technologies and operational infrastructure in a timely and cost-effective manner, to adapt its infrastructure to technology advancements and changing standards, or to retain the Group's Financial Advisers or clients. The Group's failure to meet any of these demands could have a material adverse effect on its business, financial results, financial condition and prospects.

Please also refer to the risk factor under the heading "*The Group may fail to maintain or adapt its current and legacy IT systems and it may fail to implement its IT initiatives on budget, on time or at all*" at paragraph 2.5 below.

## **1.8 Clients of the Group may withdraw FuM at short notice**

The Group's revenues are predominantly derived from management fees, the quantum of which is based on the value of FuM. The Group's clients can, at any time, request the return of some or all of the FuM managed on their behalf by the Group. If the Group's investment performance underperforms, if there is negative publicity about the Group, if the value of equity, debt or other markets declines, or in the event of a market, economic or political shock, the pace of client redemptions could accelerate.

Material withdrawals of FuM, the termination of a material number of investment mandates, or both, would have an immediate impact on management fees and revenues. It could also lead to the withdrawal of FuM and the termination of investment mandates at an exponential rate. Depending on the extent and rate of any such withdrawals or terminations, they could have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

## **1.9 The Group is reliant on its ability to attract and retain talented Financial Advisers, investment and portfolio managers and senior management**

The continued success of the Group depends on its ability to attract and retain talented Financial Advisers, investment and portfolio managers, and senior management.

The primary distribution channel for the Group's business is its network of Financial Advisers, through which it sells and distributes its products and services. The Group depends on its ability to continually attract, retain or access high calibre Financial Advisers in a competitive market. The Group maintains strong relationships with IFAs, with over 1,000 in its network, and following completion of the Lucas Fettes Acquisition, the CST Wealth Management Acquisition and the LIFT-Financial Group Acquisition, the number of Financial Planners at Brooks Macdonald has increased from 28 to 59. Financial Advisers are a key factor in driving growth and delivering integrated net client flows within the Group. If the Group is unable to continue to grow its number of Financial Advisers, either through organic recruitment or acquisition activity, or if it fails to retain its existing network of Financial Advisers, the Group may not achieve the anticipated benefits of its strategy and continued strong financial performance.

Further, the Group employs approximately 60 investment and portfolio managers, who managed £15.7 billion of FuM as at 31 December 2024, and who also manage the Group's relationships with the vast majority of its clients. The Group's overall business depends on the continued significant contribution of these investment and portfolio managers. Whilst the Group's CIP is built on a model where decision-making responsibility and authority is shared equally by colleagues, it relies on high-quality input from managers, who have considerable freedom to manage the investments and portfolios for which they are responsible. The loss of a number of these investment and portfolio managers could result in a decline in the performance of affected assets, as well as the loss of material numbers of the Group's clients, both of which could reduce FuM and hence revenue. As the Group is particularly reliant on its highest performing investment and portfolio managers, it is important that it retains such managers and, where necessary, replaces them, either internally or from external sources.

As a financial services business, the Group is also heavily reliant on the quality of its senior management team. The success of the Group's operations is dependent on, among other things, its ability to attract and retain these highly qualified professionals. It is therefore important that management are engaged and retained and, where necessary, in the event of any unexpected departures, are replaced with the best available people.



Competition for highly qualified professional people in the industry in which the Group operates is intense. The Group's ability to attract, retain and develop key people is dependent on several factors including prevailing market conditions, the Group's culture and working environment, the activity and relative attractiveness of the Group's competitors, and the Group's ability to offer competitive compensation packages. The costs of such compensation packages, and the costs of recruiting new or replacement people, may be significant. There can be no guarantee that the Group will be able to retain its people, or, should they leave, replace them. Failure to attract and retain talented Financial Advisers, investment and portfolio managers, and senior management, could have a material adverse effect on the Group's business, financial results, financial condition and prospects.

#### **1.10 The Group faces certain risks in relation to the BMI Disposal**

The Group may fail to achieve the expected strategic benefits of the BMI Disposal, and the Group may be unable to use the proceeds of the BMI Disposal (up to £50.85 million in total) for focused investment in its core UK proposition, or to capitalise on the structural opportunities in the UK to grow organically and through targeted M&A. If this happens, there may be an adverse impact on the reputation of the Group and the external perception of its ability to realise the benefits of such transactions successfully.

Further, £22.85 million, a significant portion of the overall consideration which may be payable to the Company in respect of the BMI Disposal, may only be payable two years post-completion, is contingent on the revenue performance of the BMI business during that period, and if the BMI business fails to meet its performance targets, either in part or at all, the amount of such deferred consideration will be reduced or may not be received at all.

As is customary in respect of the sale and purchase of a business, the Company has also given certain warranties and indemnities (capped and limited in time and scope) in favour of Canaccord under the terms of the transaction documents, and the Company could be exposed to financial liability if a successful claim was brought in respect of them.

Any of the aforementioned could have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

#### **1.11 Recent, anticipated or further acquisitions, corporate transactions or new businesses may divert management attention and other resources, involve risks of undisclosed liabilities, result in integration issues and may not perform as expected**

In recent years the Group has acquired several businesses and has an acquisitive growth strategy. Further acquisitions, corporate transactions or the establishment and development of new businesses may take place in the future. Growth by acquisition involves risks that could adversely affect the Group's operating results, including undisclosed liabilities in the acquired entity (such as financial, operational, legal and/or regulatory liabilities) and the substantial amount of management time that may be diverted from operations to pursue and complete acquisitions and other corporate transactions. There can be no certainty that anticipated or future acquisitions or other corporate transactions complete, and this may lead to a substantial amount of wasted time and costs. Further risks include that new businesses can be difficult to integrate and may not perform as expected (for example, by failing to retain key staff, FuM and advice fee revenue), and that financial and management resources, over and above what was initially expected, might be required to ensure a successful acquisition, corporate transaction or new business. The Group may choose to finance future acquisitions, corporate transactions or new businesses with debt issuances or by entering into credit

facilities, or by seeking equity finance, which may have a dilutive effect on the ownership and voting percentages of Shareholders. Other risks include the Group incurring impairment and amortisation expenses related to goodwill and other intangible assets. Any of the aforementioned could materially adversely affect the Group's business, financial results, financial condition, and prospects.

#### **1.12 The Group is dependent on the strength of its brand**

The Group's success is, to a certain extent, dependent on the strength of its brand and reputation, which is vulnerable to adverse market, client and Financial Adviser perception. The Group operates in an industry where reputation, integrity, trust and confidence are vital. Reputational risk is often associated with strategic decisions made and also arises as a result of other risks manifesting and not being appropriately mitigated or managed. In addition, the investment activities of the Group may give rise to unintended consequences which may impact its brand and reputation. The Group will be exposed to the risk that investment management performance, litigation, employee misconduct, operational failures, the outcome of regulatory investigations, press speculation and negative publicity, disclosure of confidential client information and inadequate services, among other factors, could impact its brand or reputation (whether or not such impact is well founded). Any of these factors could have a material adverse effect on the Group's business, reputation, financial results, financial condition, and prospects.

#### **1.13 Political and geopolitical developments and uncertainty could have a material impact on the Group's business**

Political and geopolitical developments and uncertainty have the potential to impact the Group's business through the introduction of new laws, regulations or policies, changing diplomatic norms, trade relationships and alliances, and conflict or the threat of conflict, each of which could impact the economy and markets, and/or alter investor and client sentiment or behaviour. The UK government and other relevant governments and institutions have the potential to significantly impact the business of the Group.

The impact of the current political, geopolitical, and therefore the economic and market environment is uncertain, particularly in view of the unpredictable consequences of recent changes to the UK and U.S. governments, Russia's ongoing invasion of Ukraine, the conflict in the Middle East, rising tensions between western governments and China and North Korea, and the potential for global conflict. Any of the foregoing, or similar unforeseen matters, could result in financial instability and negative or slower economic growth for the UK, European, other regional and global economies. They may also result in direct constraints or damage to the Group's business and operations.

In circumstances where the political or humanitarian environment in a particular jurisdiction deteriorates, the Group may also change its risk appetite to act on behalf of clients who are resident in such jurisdiction, change investment weightings associated with that jurisdiction, and/or may decide to exit a jurisdiction altogether. Similarly, should the UK or other jurisdictions impose financial sanctions against countries where clients reside, the Group may also be required to cease accepting funds and acting for those clients. This may result in a decline in FuM and associated fees.

All or any of the above could have a material adverse effect on the Group's business, financial results, financial condition and prospects.

## **2. OPERATIONAL RISKS**

### **2.1 The Group's assets may not be sufficiently liquid to meet its needs, it may not be able to access sufficiently liquid assets, and/or it may only be able to do so at excessive cost**

The Group depends on liquid assets to pay operating expenses, dividends on Ordinary Shares and to meet other liabilities, including minimum regulatory capital and/or liquid assets requirements. Without sufficiently liquid assets, the Group would be forced to curtail operations and its business would suffer.

The principal sources of liquidity of the Group in normal markets are cash or assets readily convertible into cash. The Group has cash deposited with third-party banks and receives fee income from clients related primarily to the value of FuM and associated services. The Group holds excess cash in a range of UK government bonds and unsecured money market instruments (purchased from or issued by financial markets counterparties), and liquidity in respect of these assets can be realised on sale or redemption. From time to time the Group also holds excess cash in certain fixed term deposit accounts with third party banks, and liquidity in respect of such deposits is realised at the expiry of their term. Many of these assets can be realised or converted into cash on demand, and in any case have maturity dates not exceeding three months.

Financial crises, market and operational disruptions, uncertainty or volatility in the capital and credit markets and the terms of the Group's fixed term deposits may limit the Group's access to the assets required to operate its businesses, and there can be no certainty that it would be able to convert its assets into cash or realise its cash at an appropriate value, in a timely manner, or at all. Such conditions may limit the Group's ability to meet operating liabilities in a timely manner; satisfy regulatory capital and liquid assets requirements under the UK Investment Firms Prudential Regime, as set out in the FCA's Prudential Sourcebook for MIFID Investment Firms (the "**IFPR**"); satisfy certain demands on liquidity under the FCA's Client Asset Sourcebook Rules ("**CASS**"); generate fee income and market-related revenue to meet liquidity needs; and access the capital necessary to operate and grow its business. In such circumstances the Group's clients may also be unable to access client cash deposited with the Group in third-party bank accounts and/or cash or assets held within investment portfolios managed by the Group and held in custody accounts.

The Group regularly monitors forecast against actual cash flows, matches the maturity profiles of financial assets and its liabilities, has robust contingency funding arrangements in place which are tested on a periodic basis, and does not currently expect that there will be a liquidity shortfall during the 12-month period following publication of this Prospectus, or at all. However, there can be no certainty that the Group will continue to be successful in maintaining its liquidity position in future.

As such, the Group may be forced to enter into credit or other financing facilities, to raise capital (or to delay raising capital if market conditions are not conducive), to issue shorter-term debt securities than would be preferable, bear an unattractive cost of capital or scale back business activities, sell parts of the business or take other mitigating actions which could decrease profitability and significantly reduce financial flexibility. There can be no certainty that the Group would be able to do all or any of the aforementioned. Consequently, there could be a material adverse effect on the Group's business, financial results, financial condition and prospects.

Please also refer to the risk factors under the headings "*The Group is subject to the risk of having insufficient capital resources and liquid assets to meet minimum regulatory requirements*" at paragraph 3.1 below and "*If the Group fails to comply with the CASS*

*rules it may be required to make clients whole for shortfalls in client money, and may be subject to regulatory investigations, actions and/or financial penalties" at paragraph 3.3 below.*

For the avoidance of doubt, nothing in this risk factor is intended to limit or disclaim the working capital statement included in paragraph 19 of Part XIV (*Additional Information*) of this Prospectus.

## **2.2 The Group is exposed to the risk of its counterparties failing to meet their financial obligations**

The Group is exposed to counterparty credit default risk. The Group's primary source of operational funding comprises cash deposited with third-party banks. The Group elects to hold surplus cash balances in a range of unsecured, liquid, money market instruments purchased from or issued by financial markets counterparties, and UK government bonds. The Group's trading activity involves providing custody and nominee services to clients by holding cash and securities in custody accounts on behalf of their owners and handling payments and notifications to such parties, including the handling of corporate actions and dividend re-investments. Each of these counterparties is also reliant on third parties fulfilling their obligations to them, resulting in a degree of indirect counterparty default risk to the Group.

Should any of the counterparties to these arrangements fail to pay or to meet their obligations, or delay payment or delay meeting their obligations to the Group (or to the Group's counterparties), there is a risk that the exposure may be borne by the Group. A counterparty default could create an immediate loss or a reduction in future profits, which could be material, depending on the size of the loss and where the loss occurred within the business. Counterparty default risk could therefore have a material adverse effect on the Group's business, financial results, financial condition and prospects.

## **2.3 The Group is subject to various risks relating to outsourcing to and procurement from third-party contractors, suppliers, agents and service providers**

The Group outsources certain functions and services externally to third parties and may increase its use of outsourcing in the future. The Group's most significant outsourcing relationship is with SS&C, a provider of software and technology services to the financial industry, who provide key client support, administrative and digital services, and provide an investment management platform through which the Group operates its services. Other outsourced functions and services include, but are not limited to, trade execution and order management, clearing, settlement and custody, and internal audit. If third-party providers experience operational or technological difficulties, if they do not perform as anticipated or fail to perform at all, if the Group experiences operational, technological or other problems such as failures or delays in implementing outsourced solutions or in implementing a transition, or if the Group does not effectively develop and implement its outsourcing strategies and its internal capability to manage such strategies, it may experience operational or technological difficulties, it may be unable to operate its business or provide its services to clients as expected or at all, it may not realise anticipated productivity improvements or cost efficiencies and may suffer increased or duplicated costs, each of which could result in a loss of business, a decline in financial performance and reputational damage.

Moreover, if the Group's contracts with third-party providers were terminated or the Group otherwise needed to find alternative providers, the Group may not find alternative providers in a timely manner or on comparable terms, or may suffer disruption as a result of the loss of the relevant service or the transition of functions to the new service

provider. Furthermore, mistakes by third-party providers could result in reputational damage, a requirement to pay compensation to clients or regulatory action or fines. The Group may be unable to recover losses from third-party providers, for example in the event of a provider's financial distress or limitations on liability.

The Group also depends upon third-party suppliers to provide key equipment, technology and services for the provision of the Group's services, certain of which are only available from a limited number of third parties. Whilst the Group has contractual protections in place with its third-party suppliers, the Group does not have operational or financial control over them, and the Group has limited or no influence over the manner in which they conduct their business. Therefore, the Group is also exposed to risks associated with cyber-crime and fraud with respect to its third-party contractors, suppliers, agents and service providers. If these third parties fail to provide equipment, technology or administrative services on a timely basis, the Group may be unable to provide services to its Financial Advisers and clients until an alternative source can be found, which may not be available on favourable terms, or at all. If any of the Group's contracts with key third-party suppliers are terminated, if the Group is unable to renew these contracts on favourable terms, or if the Group is unable to find suitable replacement providers, this could have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

#### **2.4 The Group holds a significant amount of sensitive or confidential information which could be stolen or the subject of a data breach or cyber attack**

The nature of the Group's business requires it to collect and store confidential client, company and employee data and information which is highly sensitive. The Group is continually exposed to the risk of malicious attack by persons attempting to steal such information by gaining access to the Group's networks. This could disrupt the Group's systems and key operations, resulting in outages which could cause reputational damage or client confusion.

The cyber threat landscape is consistently heightened, with a high volume of sophisticated cyber threat activity, and is therefore a material risk to the Group. The Group has preventative security infrastructure and controls in place, but it cannot be certain that these controls will prove effective in all circumstances. In addition, the Group's systems may be vulnerable to security breaches because of human error, natural or man-made disasters or other events beyond the Group's control, and its disaster recovery and business continuity protocols may similarly not prove effective.

If malicious third parties or insiders steal or compromise the Group's sensitive information (whether relating to the Group, its clients or Financial Advisers), this could result in a loss of trust from the Group's clients or Financial Advisers, causing reputational damage and financial loss (for example, if such clients or Financial Advisers withdraw FuM and/or terminate investment mandates with the Group). It could also result in public disclosure of sensitive confidential information, creating significant financial, legal or regulatory exposure. Any of the aforementioned factors may have a material adverse effect on the Group's business, financial results, financial condition and prospects.

Please also refer to the risk factor headed "*The Group is subject to regulation regarding the use of personal information*" at paragraph 3.7 below for risks relating to the data protection regulatory regime to which the Group is subject.

**2.5 The Group may fail to maintain or adapt its current and legacy IT systems and it may fail to implement its IT initiatives on budget, on time or at all**

The Group's IT systems are critical to the operation of its business and the delivery of products and services to clients. Failure to devote significant resources to support existing systems and upgrade legacy systems could result in the failure to accurately record client information, the inability to gather information for business activities, or the inability to attract and retain clients for whom online functionality is important. If the Group fails to maintain and develop adequate IT systems, it could also incur higher administrative costs both from the processing of business and remediation of disputes. Furthermore, the inability of the Group to keep pace with software and infrastructure investment requirements and innovation may have an adverse impact on its ability to remain competitive within the relevant markets. Please also refer to the risk factor under the heading "*The markets in which the Group operates are characterised by continued improvements in technology and operational infrastructure, and the Group may fail to keep pace with such changes*" at paragraph 1.7 above.

The Group is currently engaged in several IT initiatives, including, among other things, the: (i) migration of its financial reporting, procurement, data warehousing, and certain HR functions to its new 'Workday' platform; (ii) development of the Salesforce tool, designed to allow the Group to track its client and IFA relationships in a way that best supports their needs; and (iii) integration of recent acquisitions. However, these initiatives may not deliver what is required either on time or within budget, or provide the performance levels required to support the current and future needs of the Group's business. Any of the aforementioned could have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

**2.6 The Group may be unable to maintain the availability of its systems**

The Group uses computer systems to store, retrieve, evaluate and utilise client, employee and corporate data and information, which in turn interface with and rely on third-party systems. The Group's business is highly dependent on its ability, and the ability of third parties, to access these systems to perform necessary business functions, including providing client support and managing client investment portfolios. Systems failures or outages could compromise the ability of the Group to perform these functions in a timely manner, which could harm its ability to conduct business and prejudice its relationships with business partners and clients.

In the event of an incident such as natural catastrophe, industrial accident, blackout, corruption, terrorist attack, war, physical or electronic break-in, cyber-attack or disruption to third-party service availability, the Group's computer systems may be inaccessible to its employees, clients or business partners for an extended period of time. This could interrupt the business operations of the Group and have a material adverse effect on its business, reputation, financial results, financial condition and prospects.

**2.7 The Group's financial statements are based, in part, on judgements, assumptions and estimates**

The preparation of the Group's financial statements requires management to make a number of judgements, assumptions and estimates that affect the reported amounts of assets, liabilities, income and expenses. For example, in the ordinary course of the Group's business it is often required to assess whether provisions need to be made in relation to liabilities (which may or may not crystallise) and to assess the quantum of any such provisions (which will often, by nature, be uncertain). Given the Group regularly engages in M&A it is also required to periodically assess whether impairments of goodwill

or intangible assets acquired need to be made. Notwithstanding that the Group's external auditors review and audit such judgements, assumptions and estimates, due to their inherent uncertainty, actual results reported in future periods may be based upon amounts which differ from management's judgements, assumptions and estimates. Judgements, assumptions and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The areas where judgements, assumptions and estimates have the most significant effect on the amounts recognised in the consolidated financial statements include provisions and contingent liabilities, goodwill and intangible assets, consolidation and deferred tax. The critical accounting judgements, assumptions and estimates, and the associated accounting policies are set out in the notes to the Group's historical financial information (which is incorporated by reference into this Prospectus, as set out in Part XII (*Historical Financial Information*) of this Prospectus).

If one or more of these judgements, estimates and assumptions is subsequently revised because of new factors or circumstances emerging, this could have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

## **2.8 The Group may face claims which cannot be recovered from insurance policies**

The Group operates in an industry which carries risk of actions, disputes and/or claims arising from regulators, clients, suppliers, employees and other third parties. Whilst the Group maintains insurance to cover a wide variety of risks, there are certain types of losses that may be uninsurable or not economically insurable. If an uninsured loss or a loss in excess of insured limits occurs, or which is excluded from applicable policies, the Group will be responsible for payment of such loss as well as any premiums that are incurred as a result of the claim. Any material uninsured or irrecoverable costs and losses may have a material adverse effect on the Group's business, financial results, financial condition and prospects.

## **2.9 Catastrophic events, which are often unpredictable, could result in material losses and abruptly and significantly interrupt business activities**

The Group is indirectly exposed to volatile natural and man-made disasters such as pandemics, hurricanes, floods, windstorms, earthquakes, terrorism, riots, fires and explosions. Such events could adversely impact investment markets and lead to falls in the value of clients' investment portfolios, cause outflows and difficulties attracting new clients, and negatively impact the value of FuM and related fee revenue. Furthermore, such events could disrupt the Group's operations and result in significant loss of property, key personnel and commercial information. If the Group's business continuity plans or disaster recovery processes are insufficient, these events could have a material adverse effect on the Group's business, financial results, financial condition and prospects.

# **3. LEGAL AND REGULATORY RISKS**

## **3.1 The Group is subject to the risk of having insufficient capital resources and liquid assets to meet minimum regulatory requirements**

The Group is subject to consolidated capital resources requirements under the IFPR. Certain entities within the Group are also subject to capital resources requirements on an individual basis. Pursuant to the IFPR, the Group is required to hold sufficient

regulatory capital and liquid assets to meet minimum regulatory capital and liquid assets requirements.

The Group currently has a material surplus of both regulatory capital (primarily comprising share premium and retained earnings) and liquid assets (primarily comprising cash held in one or more bank deposit accounts, money market funds, UK Government Investment Loan and Gilts investments), and the Company does not have any current expectation that the Group's regulatory capital and/or liquid assets will fall below minimum regulatory requirements within the 12 months following the publication of this Prospectus, or at all. However, it is possible that the regulatory capital and/or liquid assets held by the Group could reduce relative to required levels (for example, if retained earnings decline, if the Group experienced an acute stress event, or should regulatory capital and/or liquid assets requirements or regulations change in future), and there can be no certainty that the regulatory capital and/or liquid assets held by the Group will remain above minimum regulatory requirements in future.

If the capital resources and/or liquid assets of the entities within the Group fell to a level equivalent to less than 110 per cent of required levels, the Group would need to notify the FCA. If the capital resources and/or liquid assets of the entities within the Group fell to below a level equivalent to 100 per cent of required levels, this would constitute a breach of the IFPR. In such circumstances, the Group would be obliged to seek to demonstrate to the FCA a credible plan for returning its capital resources and/or liquid assets to surplus.

A perceived or actual shortage of regulatory capital and/or liquid assets held by the Group could result in actions or sanctions, including rectification obligations. This, in turn, may affect the Group's capacity to continue its business operations, pay future dividends or pursue acquisitions or other strategic opportunities, impacting future growth potential.

Further, the Group's regulatory capital and liquid assets positions under the IFPR require management to make judgements, estimates and assumptions. Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. However, there can be no assurance that one or more of these judgements, estimates or assumptions will not be subsequently revised as a result of new factors, emerging circumstances, or regulatory intervention, which could result in the Group having insufficient capital resources and/or liquid assets and could, in turn, have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

For the avoidance of doubt, nothing in this risk factor is intended to limit or disclaim the working capital statement included in paragraph 19 of Part XIV (*Additional Information*) of this Prospectus.

### **3.2 The Group is subject to extensive regulation and supervision by the FCA**

The Group's business is subject to detailed and comprehensive regulation by the FCA, which has broad investigative, disciplinary and enforcement powers. The FCA may make enquiries of the firms it regulates, and the Group faces the risk that the FCA could find it has failed to comply with applicable regulation or has not undertaken corrective action as required. The implications of such failures could include investigation by the regulator, formal reviews by external firms, remediation of shortcomings, redress to clients and other forms of enforcement. Such enforcement action may include restrictions on



undertaking new business, public censure, financial restitution, fines and, ultimately, revocation of permission to carry on regulated activities.

In addition to the direct costs involved in any of the enforcement actions referred to above, such actions have the potential to negatively impact the Group's income and other strategic priorities and have a material adverse effect on its business, reputation, financial results, financial condition and prospects.

Please refer to Part VII (*Regulatory Environment*) of this Prospectus for further detail regarding the regulatory regime to which the Group is subject.

### **3.3 If the Group fails to comply with the CASS rules it may be required to make clients whole for shortfalls in client money, and may be subject to regulatory investigations, actions and/or financial penalties**

As the Group holds and controls client money and safe custody assets, it must comply with the CASS rules. The CASS requirements help to protect clients' assets and money when a firm is responsible for them including, among other things, by requiring firms to segregate, return and/or, where there are discrepancies between a firm's client money resource and its client money requirements, fund shortfalls in client money without delay. The CASS rules also help to ensure that client assets and money can be returned within a reasonable timeframe in the event of a firm's insolvency. Client money and asset protection remains at the core of the FCA's agenda, and larger firms (such as those within the Group) are therefore required to submit monthly client money and asset returns to the FCA to provide key data in relation to CASS processing. This enables the FCA to oversee firms' CASS processing and to discuss any potential areas of concern. Adherence to CASS requirements relies on several complex operational processes and systems, both internal and external, resulting in a high inherent risk of non-compliance. Any CASS breaches are reported to the FCA, including as part of the firms' annual external CASS audit, and the FCA would be immediately notified of any material breaches. If any such breaches were not fully remediated, or the FCA considered the Group does not have sufficient regard for the protection of clients' assets, the Group may be subject to regulatory action or financial penalties, which could also result in adverse publicity, and ultimately have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

### **3.4 The Group operates in an industry that is subject to regulatory change**

The financial services industry is subject to the continual introduction of new laws and regulations and may be subject to retrospective changes to existing laws and regulations. Recent and prospective changes impacting the Group include, among other things: (i) the FCA's introduction of the Consumer Duty, which came into force between July 2023 and July 2024 and requires companies to "act to deliver good outcomes for retail customers", setting higher and clearer standards of consumer protection across financial services, applicable to the Group's business in both investment management and financial planning; (ii) the CCI Regulations published in November 2024, which set out the framework for new UK retail disclosure requirements for consumer composite investments, among other things; and (iii) the new failure to prevent fraud offence included in the Economic Crime and Corporate Transparency Act 2023.

The Group will not always be able to predict accurately the impact of new laws or regulations on its business, financial results and/or financial condition. Changes in government policy, legislation or regulatory interpretation applicable to companies in the wealth management industry in the UK may adversely affect the Group's product

range, distribution channels or capital requirements and, consequently, its financial results and/or financing requirements.

New laws and regulations may not always be accompanied by guidance from regulators. Therefore, their application to business activities is subject to interpretation. If the Group fails to interpret new laws or regulations appropriately or fails to prepare for their introduction in a timely manner, it could be subject to regulatory scrutiny, investigation and/or enforcement action which could result in reputational damage, sanctions, penalties or fines.

The Group may also face increased compliance costs from setting up additional controls to manage compliance with new financial services laws, regulations, guidance and expectations (for example, in response to the FCA's periodic thematic reviews and 'Dear CEO' letters to the wealth management industry, such as its recent review of Retirement Income Advice published in March 2024). The Group faces significant compliance challenges from the rapid evolution of the regulatory environment and enforcement action by regulators.

Any of the aforementioned could have a material adverse impact on the Group's business, financial results, financial condition and prospects.

### **3.5 Regulatory authorities or clients may seek redress against the Group where it is alleged that products or services were misrepresented or mis-sold, or otherwise failed to meet regulatory requirements or client expectations**

The Group is exposed to the risk of regulatory action or claims from clients in relation to the way in which it sells its products and services. For example, regulators or clients could allege that the terms and conditions of relevant products or services, the nature of the products or services, or the circumstances under which the products or services were recommended were misrepresented, or that the products were otherwise mis-sold to them. Complaints may also arise if clients feel that they have not been treated reasonably or fairly, or that the duty of care which they are owed has been breached. Client complaints are investigated within the Group independently of the business unit against which the complaint has been raised. However, where the client is dissatisfied with the outcome, they may refer their complaint to an applicable regulatory or disciplinary body, including the Financial Ombudsman Service ("**FOS**") or the FCA. The dispute may ultimately be resolved by regulatory enforcement action or litigation. A regulatory body may intervene directly where larger groups or matters of public policy are concerned. Certain consumer bodies are also empowered under FSMA to make "super-complaints" to the FCA in relation to issues causing detriment to large numbers of consumers. In particular, the Group may be exposed to risks relating to "vulnerable customers" defined by the FCA as persons who, due to their personal circumstances, are especially susceptible to detriment, particularly when a regulated firm is not acting with appropriate levels of care. Failure to identify customer vulnerability could lead to poor customer outcomes. If the Group does not have adequate policies and procedures to identify vulnerable customers, the Group could fall below regulatory expectations, which could result in enforcement action. In addition, customers may make complaints and/or claims for compensation against the Group, which could be costly for the Group to address. This risk is heightened by the rise in recent years of claims agents bringing claims on behalf of customers on a large scale. Any of the aforementioned could have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

### **3.6 The Group may fail to protect its business and clients from all aspects of financial crime including fraud, money laundering, market abuse and breach of sanctions laws**

The Group is required to comply with anti-money laundering, anti-terrorism, sanctions, anti-tax evasion, anti-fraud, anti-bribery and corruption, market abuse and other laws and regulations including the UK Bribery Act 2010, the UK Criminal Finances Act 2017 and the extra-jurisdictional reach of international laws such as the US Foreign Corrupt Practices Act. These laws and regulations require the Group, among other things, to conduct client due diligence regarding anti-money laundering, sanctions and politically exposed persons screening, to keep client and supplier account and transaction information up to date and to implement effective financial crime policies and procedures.

Financial crime is the subject of enhanced scrutiny and supervision by regulators globally, requiring businesses to invest in improved systems, sophisticated monitoring and skilled compliance personnel. Financial criminal activities are continually evolving, which requires a proactive and adaptable response to effectively deter the threat. However, even known threats can never be fully eliminated, and there is a risk that the Group could be used by third parties to engage in fraud, money laundering and other illegal activities. In addition, the Group relies on its employees, outsourced service providers and certain other third parties to identify and report such activities. It is not always possible to ensure compliance by such parties with the Group's financial crime policies and procedures, and the precautions the Group takes to detect and prevent this activity may ultimately not be effective.

Regulators and law enforcement agencies could impose significant fines and other penalties on the Group for any failure to comply with financial crime laws and regulation, including a complete review of business systems, day-to-day supervision by external consultants, and ultimately the revocation of regulatory authorisations, permissions or approvals. The reputational and financial damage to the Group could be severe if it were found to have breached anti-money laundering or sanctions requirements, or if it were unable to protect clients or prevent its business from being used by criminals for illegal purposes.

The Group cannot guarantee that its current policies and procedures are sufficient to completely protect its business and clients from all aspects of financial crime, including actions by the Group's employees for which the Group might be held responsible. Any such event may have severe consequences for the Group including sanctions, fines or reputational damage, which could have a material adverse effect on its business, financial results, financial condition and prospects.

### **3.7 The Group is subject to regulation regarding the use of personal information**

Given the nature of the Group's business, it is required to comply with strict data protection and privacy legislation and regulatory requirements, including the UK GDPR. These laws restrict the Group's ability to collect, use and disclose personal information, and impose internal compliance requirements. If the Group (or any third-party service provider on which it relies) fails to: (i) adequately secure personal information (including wrongful appropriation or accidental loss or disclosure of personal information resulting from a cyber incident or a major network failure or interruption); (ii) implement appropriate notices and controls relating to the collection, use and disclosure of personal information; or (iii) otherwise process personal information in accordance with applicable obligations, the Group could face liability under data protection laws (including enforcement action by regulators and potential fines) or under its client contracts, and could suffer reputational and brand damage from the resulting loss of

goodwill of clients or employees, which could also deter new clients. The occurrence of any of these events could have a material adverse effect on the Group's business, financial results, financial condition and prospects.

Please also refer to the risk factor under the heading "*The Group holds a significant amount of sensitive or confidential information which could be stolen or the subject of a data breach*" at paragraph 2.4 above.

### **3.8 The Group's employees, agents or management may fail to execute its business activities in compliance with legal and regulatory requirements**

The Group may be exposed to liabilities arising from failures by the Group's employees, agents or management to execute its business in compliance with applicable legal and regulatory requirements and the Group's internal risk and compliance policies, and from potential employee or agent misconduct, negligence or fraud. Such non-compliance could cause detriment to the Group's clients and stakeholders, as well as result in regulatory sanctions and serious reputational or financial harm to the Group.

The Group maintains several internal policies and procedures to promote good conduct, including, among other things, the Group's Suitability Policy, Data Governance and Information Security Policy, Conduct Risk and Consumer Duty Policy, Sanctions Policy, Risk Management Policy, Framework and Anti-money Laundering Policy, Market Abuse Policy, Personal Account Dealing Policy, NED Personal Account Dealing Policy and Conflicts of Interest Policy. However, notwithstanding the adoption and application of these policies and procedures, it is not always possible to ensure employee or agent compliance with such policies, nor to prevent employee or agent misconduct. Therefore, the precautions taken by the Group to detect and prevent this activity may not always be effective.

Conduct failures could lead to a negative impact on relations with the Group's current and potential clients, poor client outcomes, redress payments to clients, reputational damage, and diversion of management time away from operational objectives and strategic priorities. Regulatory action taken against the Group in respect of a conduct failure could result in the suspension or revocation of regulatory authorisations, permissions or approvals, financial penalties, adverse publicity, or negative public perceptions of the Group or the wealth management industry more widely. They may result in regulators subjecting the Group to closer scrutiny than would otherwise be the case, which in turn may result in higher costs, sanctions or fees. This could have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

### **3.9 The Group may be subject to legal claims and proceedings**

It is possible that the current or future actions of the Group may result in litigation and legal or regulatory proceedings. The defence and settlement costs involved in such proceedings can be substantial, even with respect to claims that have no merit. Due to their inherent uncertainty, proceedings against the Group may result in unexpected expenses and liabilities, the diversion of management resources and could lead to adverse publicity. Litigation and other proceedings could therefore have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

**3.10 The Group may be adversely affected if it fails to comply with ESG laws, ESG standards to which it has publicly committed or the ESG demands of its clients and other stakeholders**

The business environment in which the Group operates is continually changing and there has been pressure on investment managers to provide products and services which meet clients' ESG criteria. In addition, the Group has been required to make an increasing number of ESG-related disclosures in recent years, providing stakeholders with greater visibility on ESG matters. The Group has also publicly committed to a group-wide net zero emissions target by 2030.

As the ESG landscape continues to evolve, there may be increasing ESG-related expectations from the Group's clients, Financial Advisers, investors, employees, rating agencies, suppliers and regulators. A failure to manage and meet ESG expectations, whether set by the Group or third parties, or to meet the demands of its clients in respect of ESG products and services may adversely impact the reputation of the Group, the results of its operations and its ability to deliver on its long-term strategy.

**3.11 Changes in tax law may adversely impact the Group**

UK tax law includes rules governing company taxes, business taxes, personal taxes, capital taxes, value added taxes and other indirect taxes. The Group cannot predict accurately the impact of future changes in UK tax law on its business. From time to time, there may be changes in the interpretation of existing UK and overseas tax laws, amendments to existing tax rates, changes in the practice of tax authorities, or the introduction of new tax legislation in the UK or overseas.

Any change in the Company's tax status or in tax laws, rules or regulations, and their interpretation, could affect the Company's ability to provide returns to Shareholders, and could otherwise have a material adverse effect on the Group's business, reputation, financial results, financial condition and prospects.

**4. RISKS RELATING TO ADMISSION AND THE ORDINARY SHARES**

**4.1 The market price of the Ordinary Shares could be subject to volatility**

The market price of the Ordinary Shares could be subject to significant fluctuations due to a change in market sentiment regarding those securities. These fluctuations could result from national and global political, economic and financial conditions, market perceptions of the Company, its competitors and its industry and various other facts and events, including additions or departures of key personnel, regulatory changes affecting the Company's operations, market appraisal of the Company's strategy, variations in the Company's operating results and/or business developments of the Company and/or its competitors. Furthermore, the Company's operating results and prospects from time to time may be below the expectations of market analysts and investors. Any of these events could result in a material decline in the market price of the Ordinary Shares and the loss of some or all of any investment in the Ordinary Shares.

**4.2 Sufficient liquidity in the market and FTSE indexation**

Admission should not be taken as implying that there will be a liquid market in the Ordinary Shares. There is no guarantee that there will be sufficient liquidity in the Ordinary Shares to sell or buy any number of Ordinary Shares at a certain price level. The Company cannot predict the extent to which an active market for the Ordinary Shares will develop or be sustained, or how the development of such a market might affect the market price for Ordinary Shares. Further, on Admission, the Ordinary Shares will cease to be included in FTSE's AIM UK 100, AIM UK 50 and AIM UK All-Share indices, and whilst

it is expected that the Ordinary Shares will be considered for inclusion in certain of FTSE's Main Market indices at its quarterly review in June 2025, there can be no certainty that they will be so included at that time or at all. Admission could preclude certain institutional investors from holding Ordinary Shares given the terms of their investment strategies or mandates, which may require or encourage them to hold shares in AIM quoted companies because of applicable UK tax reliefs or exemptions, and could result in the Ordinary Shares being less attractive to individual Shareholders because they no longer benefit from such reliefs or exemptions. There can be no certainty that new investors would be forthcoming following Admission, which may contribute to an illiquid market in the Ordinary Shares. This could result in lower trading prices and increased volatility, which could adversely affect the value of any investment in the Ordinary Shares.

**4.3 From Admission the Ordinary Shares will no longer benefit from certain tax reliefs available in relation to companies admitted to trading on AIM**

Following Admission, the Ordinary Shares will not benefit from certain UK inheritance tax, SDRT and other reliefs and exemptions that may be or are applicable to shares traded on AIM. Accordingly, there may be adverse tax consequences in relation to holding (or continuing to hold) an investment in the Ordinary Shares. This could lead to sales of Ordinary Shares following Admission, which could depress the price of the Ordinary Shares. The taxation of an investment in the Ordinary Shares depends on the individual circumstances of Shareholders, and Shareholders who have any concerns in relation to the taxation of their Ordinary Shares following Admission should consult their own appropriate professional advisers in respect of such matters. This Prospectus is not a substitute for independent tax advice and does not purport to give such advice.

Please refer to Part XIII (*Tax*) of this Prospectus for further information in relation to the tax treatment of the Ordinary Shares.

**4.4 The market price of the Ordinary Shares could be negatively affected by sales of substantial amounts of the Ordinary Shares in the public markets, or the perception that these sales could occur**

It is impossible to predict whether a substantial number of Ordinary Shares will be sold in the open market, including as a result of the contemplated cancellation of the Ordinary Shares from trading on AIM. Any such sales, or the perception that such sales might occur, could result in a material adverse effect on the market price of the Ordinary Shares. This may make it more difficult for Shareholders to sell Ordinary Shares at a time and price that they deem appropriate, and whilst the Company has no present intentions to do so, this could also impede the Company's ability to issue equity securities or raise capital in the future.

**4.5 The market price of the Ordinary Shares and their trading volume may be influenced by the research and reports that analysts publish about the Company and/or its business**

The trading market for the Ordinary Shares may be influenced by the research and reports that industry or securities analysts publish about the Company and/or its business. If securities or industry analysts do not publish research or reports about the Company's business, or if they downgrade their recommendations, the market price of the Ordinary Shares and their trading volume could decline.

#### **4.6 Overseas Shareholders may be subject to exchange rate risks**

The Ordinary Shares are denominated and priced in pounds sterling, and will be quoted and traded in pounds sterling. In addition, any dividends or other returns that the Company may pay or make in future (if any) will be declared, paid and/or made in pounds sterling. Accordingly, holders of Ordinary Shares resident in jurisdictions outside of the UK are subject to risks arising from adverse movements in the value of their local currencies against pound sterling, which may reduce the value of the Ordinary Shares, as well as that of any dividends paid or other returns made.

#### **4.7 The Company's ability to pay dividends on the Ordinary Shares in the near term, and its ability to pay dividends in the future, is not guaranteed, and Shareholders may not receive a return (or may receive a smaller return than anticipated) on their investment in the Ordinary Shares**

Any decision to pay dividends in the future will be subject to the financial condition of the Company. Under UK company law, a company can only pay cash dividends to the extent that it has distributable reserves and cash available for this purpose. As a holding company, the Company's ability to pay dividends in the future is affected by a number of factors, principally its ability to receive sufficient dividends from its subsidiaries. The payment of dividends to the Company by its subsidiaries is affected by their financial performance and condition and the existence of sufficient distributable reserves and cash in those subsidiaries. These requirements could limit the payment of dividends and distributions to the Company by its subsidiaries, which could in the future restrict the Company's ability to fund its operations or pay a dividend to Shareholders.

The ability of the Company's subsidiaries to make upstream cash distributions or loans to each other and to the Company is generally subject to applicable laws, such as their constitutional documents, maintenance of capital rules, the terms of financing arrangements, accounting treatment and other factors. Applicable laws may require such companies to comply with, among other things, restrictions on the amounts distributed by way of dividends or capital and reserve maintenance principles or may require them to obtain shareholder or court approval. Applicable laws may also restrict the making of any distribution, loan or other payment or the timing thereof. There can be no assurance that the Company will be able to comply with any laws or requirements regulating upstream cash distributions, loans or payments directly or indirectly to the Company.

#### **4.8 Shareholders in the U.S. and other jurisdictions outside the UK may not be able to participate in any future equity offerings**

The Companies Act provides for pre-emption rights to be granted to Shareholders on equity offerings, unless such rights are disapplied by a resolution of the Company's shareholders or an exemption under the Companies Act can be relied upon. However, securities laws of certain jurisdictions outside the UK, including the U.S., may restrict the Company's ability to allow participation in any such equity offerings by Shareholders located in such jurisdictions. In particular, Shareholders in the U.S. may not be entitled to exercise their pre-emption rights unless such an offering is registered under the U.S. Securities Act, or made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Whilst the Company has no current plans to raise capital by way of an equity offering, the holdings of Shareholders located outside the UK who are not able to participate in any future equity offering could be diluted by any such offering.

#### **4.9 Any future issues of Ordinary Shares may dilute the holdings of Shareholders and may depress the price of the Ordinary Shares**

As at the date of this Prospectus, other than the Ordinary Shares to be issued pursuant to the Group's share incentive or share option arrangements, the Company does not have current plans to allot, issue or offer any new Ordinary Shares. However, it is possible that the Company may decide to do so in the future, for example to fund acquisitions or strategic growth opportunities, to meet regulatory capital and liquid assets requirements or in connection with share incentive or share option plans. Any future issues of new Ordinary Shares could dilute the holdings of existing Shareholders. Any future issues of Ordinary Shares, or the perception that such issues could occur, could also adversely affect the prevailing market price of the Ordinary Shares and impair the Company's ability to raise capital through any future sales of equity securities.



## **PART III PRESENTATION OF INFORMATION**

### **1. GENERAL**

No person has been authorised to give any information or to make any representations or warranties concerning the Company or the Group other than as expressly set out in this Prospectus and, if given or made, such information, representations or warranties must not be relied upon as having been authorised by or on behalf of the Company, the Directors, any member of the Group or any other person. No representation or warranty, express or implied, is made and no responsibility or liability is accepted by any person other than the Company and the Directors (or as required by applicable law or regulation) as to the accuracy, completeness, verification or sufficiency of the information contained herein and nothing contained in this Prospectus is, or shall be relied upon as, a promise, representation or warranty by any of the Company's advisers or any of their respective affiliates as to the past, present or future.

To the extent relevant, the Company will comply with its obligation to publish supplementary prospectuses pursuant to Article 23 of the UK Prospectus Regulation and Rule 3.4 of the Prospectus Regulation Rules containing further or updated information as may be required by law or regulation but, except as required by applicable law or regulation, assumes no further obligation to publish additional information. Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to Article 23 of the UK Prospectus Regulation and Rule 3.4 of the Prospectus Regulation Rules, neither the delivery of this Prospectus nor Admission nor any subsequent subscription for or sale or purchase of any Ordinary Shares shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or the Group since the date of this Prospectus, or that the information contained in this Prospectus is correct as at any time subsequent to its date.

The contents of this Prospectus are not to be construed as legal, tax, financial or business advice. Investors should rely on their own advisers for legal, tax, financial or business advice as appropriate. When considering any investment decision with respect to the Ordinary Shares, investors should seek their own legal, tax or financial advice from an appropriately authorised independent professional adviser.

This Prospectus has been approved by the FCA in accordance with section 87A of FSMA and a copy has been made available to the public in accordance with the UK Prospectus Regulation.

### **2. PRESENTATION OF FINANCIAL INFORMATION AND NON-FINANCIAL OPERATING DATA**

Recipients of this Prospectus should consult their own professional advisers to gain an understanding of the financial information contained in, and incorporated by reference into, this Prospectus. An overview of the basis for presentation of financial information in this Prospectus is set out below.

#### **Historical Financial Information**

The audited consolidated financial statements of the Group as at and for each of the financial years ended 30 June 2022, 30 June 2023 and 30 June 2024 and the unaudited condensed consolidated financial statements of the Group as at and for the six months ended 31 December 2024, as set out in the 2022 Annual Report, 2023 Annual Report, 2024 Annual Report and 2025 HY Results, respectively, are incorporated by reference into this Prospectus, as explained in Part XV (*Documents Incorporated by Reference*). These financial statements have been prepared in accordance with IFRS.

## **Alternative Performance Measures**

In this Prospectus, including information incorporated by reference into this Prospectus, the Company presents certain alternative performance measures ("**APMs**") that are not defined or recognised under IFRS. The Company uses APMs to allow Shareholders to better understand the Group's underlying financial performance and position. The Company believes that these APMs provide an enhanced understanding of the Group's results and allow for comparisons of the financial performance of the Group's business either from one period to another or with other similar businesses. A reconciliation of certain APMs used by the Group is set out on pages 35 to 37 of the 2022 Annual Report, pages 39 to 41 of the 2023 Annual Report, pages 36 to 38 of the 2024 Annual Report, and page 7 of the 2025 HY Results. Glossaries and details of the APMs used by the Group are set out on page 181 of the 2022 Annual Report, page 182 of the 2023 Annual Report, page 172 of the 2024 Annual Report, and page 31 of the 2025 HY Results. All of the foregoing are incorporated into this Prospectus by reference as set out in Part XV (*Documents Incorporated by Reference*).

## **Market, economic and industry data**

Unless the source is otherwise identified, any market, economic and industry data and statistics in this Prospectus constitute the Company's best estimates using underlying data from third parties or, in some cases, from internal reports. The Company confirms that all information set out in this Prospectus which has been sourced from third parties has been accurately reproduced and that, so far as it is aware and has been able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the Company makes no representation or warranty as to the accuracy or completeness of such information, which has not been independently verified.

### **3. FORWARD-LOOKING STATEMENTS**

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

In particular, the statements under the headings in Part II (*Risk Factors*) and Part VI (*Business Overview*) of this Prospectus regarding the Group's strategy and other future events, prospects or risks, are forward-looking statements. These forward-looking statements and other statements contained in this Prospectus regarding matters that are not historical facts are not guarantees of future performance or future events occurring and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company and the Directors, are inherently subject to significant business, economic, competitive, and legal and regulatory uncertainties and contingencies. No assurance can be given that such future events will occur; actual

events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expected, expressed or implied in such forward-looking statements. These risks and uncertainties include, but are not limited to, those described in Part II (*Risk Factors*) of this Prospectus, which should be read in conjunction with the other cautionary statements that are included in this Prospectus.

The forward-looking statements contained in this Prospectus are made only as of the date of this Prospectus. The Company and the Directors expressly disclaim any obligation or undertaking to update any forward-looking statements contained in this Prospectus to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based, unless required to do so by applicable law (including but not necessarily limited to the requirements of FSMA, UK MAR, the Prospectus Regulation Rules, the UKLR or the Disclosure Guidance and Transparency Rules).

#### **4. NO INCORPORATION OF WEBSITE INFORMATION**

The contents of the Group's website, any website mentioned in this Prospectus or any website directly or indirectly linked to these websites have not been verified and no information contained in any website forms part of this Prospectus unless it is expressly incorporated by reference herein as set out in Part XV (*Documents Incorporated by Reference*).

#### **5. ROUNDING**

Certain data contained in this Prospectus, including financial information, has been subject to rounding adjustments. As a result of this rounding, the totals of data presented in this Prospectus may vary slightly from the actual arithmetic totals of such data. In certain statistical and operating tables contained in this Prospectus, the sum of numbers in a column or a row may not conform to the total figure given for that column or row. Percentages in tables and elsewhere in this Prospectus may have been rounded and accordingly may not add up to 100 per cent.

#### **6. CURRENCIES**

All references in this Prospectus to "pounds sterling", "£" or "pence" are to the lawful currency of the UK and references to "Euro" or "EUR" are to the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community as amended from time to time. All references to "US dollars", "\$" or "USD" are to the lawful currency of the United States. Unless otherwise indicated, the financial information contained in this Prospectus has been expressed in pounds sterling.

#### **7. CONSTITUTION**

All Shareholders are entitled to the benefit of, and will be bound by, and are deemed to have had notice of, the provisions of the Articles of Association.

#### **8. INTERPRETATION**

Certain terms used in this Prospectus, including capitalised terms and certain technical and other items, are defined in Part XVI (*Definitions*) of this Prospectus.

References to the singular in this Prospectus shall include the plural and vice versa where the context requires. Any references to time in this Prospectus are to London time unless otherwise stated.

**PART IV**  
**DIRECTORS, SECRETARY, REGISTERED AND HEAD OFFICE AND ADVISERS**

<b>Directors:</b>	Maarten Slendebroek (Chair) Andrea Montague (Chief Executive Officer) Katherine Jones (Chief Financial Officer) Robert Burgess (Senior Independent Non-Executive Director) Dagmar Kershaw (Independent Non-Executive Director) John Linwood (Independent Non-Executive Director) James Rawlingson (Independent Non-Executive Director)
<b>Company Secretary:</b>	Philip Naylor
<b>Registered and Head Office:</b>	21 Lombard Street London EC3V 9AH
<b>Sponsor:</b>	Investec Bank plc 30 Gresham Street London EC2V 7QP
<b>English law legal advisers to the Company:</b>	Travers Smith LLP 10 Snow Hill London EC1A 2AL
<b>English law legal advisers to the Sponsor:</b>	Simmons & Simmons LLP Citypoint One Ropemaker Street London EC2Y 9S
<b>Auditor:</b>	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT
<b>Reporting Accountant:</b>	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
<b>Registrars:</b>	MUFG Corporate Markets Central Square 29 Wellington Street Leeds LS1 4DL

**PART V**  
**EXPECTED TIMETABLE OF PRINCIPAL EVENTS**

Each of the below times and dates are indicative only and may be subject to change. Any material changes to the expected timetable set out below will be notified by the Company through a Regulatory Information Service.

References to a time of day are to London time unless otherwise stated.

<b>Event</b>	<b>Time and date</b>
Publication of this Prospectus	24 March 2025
Ordinary Shares cease to be traded on AIM	8:00 a.m. on 28 March 2025
Admission and commencement of dealings in Ordinary Shares on the Main Market	8:00 a.m. on 28 March 2025

## **PART VI BUSINESS OVERVIEW**

### **1. OVERVIEW**

Brooks Macdonald is a leading provider of wealth management services in the UK.

The Group's two business areas are:

- Adviser Solutions, which provides outsourced discretionary investment management services via Financial Advisers to their private and corporate clients.
- Financial Planning, which provides both restricted and independent 'whole of market' advice to high-net-worth individuals, enabling them to build, manage and protect their wealth.

For the financial year ended 30 June 2024, Brooks Macdonald had revenue of £128.3 million and underlying profit before tax of £34.1 million. As at 30 June 2024 Brooks Macdonald had net assets of £152.3 million and FuM of £18.0 billion. For the six months ended 31 December 2024, on a continuing basis, Brooks Macdonald had revenue of £51.9 million and underlying profit before tax of £15.5 million. As at 31 December 2024, on a continuing basis, Brooks Macdonald had net assets of £156.6 million and FuM of £15.7 billion.

Selected financial information in relation to the Group is included in Part VIII (*Selected Financial Information*) of this Prospectus.

### **2. HISTORY**

Brooks Macdonald, Gayer & Co was founded in 1991 with a mission to provide clients with wealth management services driven by purpose and principles. Brooks Macdonald Group plc was incorporated as the holding company of the Group in 2002 and was admitted to trading on AIM in 2005.

In addition to organic growth, the Group's operations have increased in scale through several acquisitions including, among others:

- Cornelian Asset Managers, a wealth and asset management group (2020);
- Integrity Wealth Solutions, an IFA business (2022);
- Adroit Financial Planning, an IFA business (2022);
- Lucas Fettes, a financial planning business (2024);
- CST Wealth Management, a financial planning business (2024); and
- LIFT Financial Group, a financial planning business (2025)

On 24 February 2025 the Group announced that it had completed the sale of BMI, its international business in the Crown Dependencies

### **3. REASONS FOR ADMISSION**

On 15 January 2025, Brooks Macdonald announced its intention to move from an AIM to a Main Market listing. Since being founded in 1991 and listing on AIM in 2005, the Group has demonstrated a strong commercial and financial track record, scaled Shareholder returns and built a broad and supportive Shareholder base. The Board considers that Admission would further enhance the Group's corporate profile, as well as extending the opportunity to own its Ordinary Shares to a broader group of investors. Following Admission, it is expected that the Company's Ordinary Shares will be considered for

inclusion in the FTSE Small Cap and FTSE All Share indices at FTSE's June 2025 quarterly review.

#### **4. STRENGTHS, COMPETITIVE ADVANTAGES AND INVESTMENT CASE**

Brooks Macdonald serves a critical need for individual saving and investment and demonstrates a compelling investment case. The key strengths and competitive advantages of the Group are as follows:

##### **Financial Performance**

Brooks Macdonald has a consistent track record of financial performance as a profitable and cash-generative business, with a strong balance sheet and a long-standing record of increasing dividends, showing financial resilience and a commitment to Shareholder returns. The Company has increased dividends in each year since it started trading on AIM in 2005 and over the same period, the Group's statutory diluted earnings per share have increased at a compound annual growth rate of approximately 11 per cent.

##### **Market Opportunity**

Given its broad product offering, strong distribution channels and robust investment performance, the Group is well-placed to benefit from opportunities arising from ongoing demographic changes, the growing need for financial advice, and regulatory and technological changes in the UK investment management market.

##### **Demographics Changes**

People are living longer, with the number of people over 60 in the UK forecast to grow by over 10 per cent between June 2024 and June 2030<sup>1</sup>, and nearly one in seven people projected to be over the age of 75 by 2040.<sup>2</sup> Accordingly, the number of people in the UK needing financial advice is expected to grow as an increasingly aging population plans for retirement. In parallel, the policy framework around retirement in the UK is favourable for the wealth management industry, with people increasingly encouraged to make their own provision for retirement, and pension freedoms adding to the need for financial advice. The growing number of UK adults requiring support with retirement planning and wealth transfer is a long-term tailwind for the Group.

##### **Growing Need for Financial Advice**

In 2022 only 8 per cent of UK adults received comprehensive financial advice<sup>3</sup> and in 2024 they had an estimated £430 billion of uninvested cash savings. Levels of personal wealth are expected to grow, with liquid savings and investments held by affluent and high net worth individuals forecast to continue growing at approximately 5 per cent per annum until 2028. Against this backdrop, investors are increasingly working with IFAs, the Group's primary distribution channel, as the need for clients to make complex financial decisions grows. Across the UK, the number of investors working with IFAs grew from approximately 2.2 million in 2016 to approximately 3.6 million in 2023,<sup>4</sup> representing a 7 per cent compound annual growth rate. The growing need for financial advice in the UK is a key opportunity for the Group.

##### **Regulatory and Technology Changes**

The greater regulatory focus on delivering good outcomes for clients, highlighted by the FCA's introduction of the Consumer Duty, requiring firms to "act to deliver good

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<sup>1</sup> Source: UK Office for National Statistics

<sup>2</sup> Source: UK Government Office for Science

<sup>3</sup> Source: FCA Financial Lives 2022 Survey

<sup>4</sup> Source: FCA Retail Mediation Activities Returns for 2016 and 2023

outcomes for retail customers", is supported by the Group's strong client-centric culture and accessible digital interface. Digital technology is increasingly a 'must have' enabler of financial services, with clients expecting digital functions to complement face-to-face relationships. The Group continues to improve its client and Financial Adviser portal and other client-facing digital tools, focused on making Brooks Macdonald easy to do business with and delivering the best outcomes for its clients.

### **Comprehensive Investment Proposition**

Brooks Macdonald offers a comprehensive range of investment products and services, addressing the full scope of client needs throughout the investor lifecycle – from early career to pre-retirement, and into retirement. These include core and specialist bespoke services tailored to meet specific client needs, complemented by model-based and unitised services, and a business-to-business BM Investment Solutions ("**BMIS**") offering. Brooks Macdonald was among the first to introduce a managed portfolio service offering in the UK and continues to develop new products to meet evolving client needs, such as its Gilts Service and Liquid Reserve Portfolio.

### **Strong Distribution**

The Group maintains strong relationships with IFAs, with over 1,000 in its network, and is well-positioned to benefit from the increasing demand for outsourced investment management services. The IFA distribution channel in the UK is growing rapidly, with UK FuM distributed through IFAs across the three major product groups (bespoke portfolio services, model portfolio services and funds) growing at an annual rate of 12.4 per cent between 2019 and 2023, and at a rate of 29.6 per cent per annum in respect of model portfolio services in particular.

The Group's recent acquisitions of Lucas Fettes, CST Wealth Management and LIFT-Financial Group have enhanced its direct to client distribution within Financial Planning, increasing the Group's total number of Financial Planners from 28 to 59 and contributing their existing financial planning relationships to the business.

### **Robust Centralised Investment Process**

Brooks Macdonald's Centralised Investment Process ("**CIP**") is at the core of all of its diversified investment solutions. It creates a wide range of investment solutions, diversified across asset classes, sectors, investment products and geographies to meet clients' differing needs and risk appetites. The CIP brings together the expertise of the Group's asset allocation committee, investment committee and sector research specialists to deliver a cohesive, proven strategy. As at 31 December 2024, the Group's bespoke portfolio service ("**BPS**") client portfolios had outperformed benchmark ARC PCI peer group indices across all five of its tracked risk categories (Low, Low-to-Medium, Medium, Medium-to-High and High Risk), over both a 1 and a 10 year investment lifecycle.

### **Client-Centric Approach**

Brooks Macdonald has an enduring commitment to its clients and to providing the best outcomes for them. In 2024 the Group again retained a 'gold service rating' for discretionary fund management in Defaqto's annual survey of financial advisers. The Group proactively tailors its services to client needs and provides differentiated and innovative new products to meet those needs. Brooks Macdonald's client-centric culture is driven by its guiding principles: doing the right thing; being connected; caring; and making a difference. These principles underpin everything that the Group does.



### **Quality of Leadership Team**

Brooks Macdonald's leadership team possesses significant investment management expertise and strong capabilities in client engagement. Its senior leadership team has a wealth of experience in financial services and has been refreshed in recent months following Andrea Montague's appointment as CEO, strengthening the Group's leadership and driving its strategy forward.

## **5. STRATEGY**

Brooks Macdonald has a clear strategy designed to increase the value it creates for all stakeholders. The Group is focused on the following three growth levers to achieve its strategy in the near-term, to reignite growth, and improve net flows:

### **Delivering Excellent Client Service**

Unlocking the full potential of Brooks Macdonald's client-centric culture to maintain and grow relationships with clients and IFAs, proactively tailor services to client needs and launch differentiated and innovative new products to further drive business growth.

### **Broadening and Deepening Client Reach**

Taking the Group's broad product range to its existing network and new clients, increasing brand awareness and enhancing client data analytics to support lead generation.

### **Driving scale and efficiencies**

Building talent and execution capabilities to support delivery of client service, leverage automation across the business to increase productivity, and optimise investment and client reporting processes to improve efficiency.

By focusing on these growth levers, with potential for further growth through M&A using the Group's strict acquisition criteria, Brooks Macdonald is confident that it will achieve its medium-term targets (described in paragraph 9 (*Outlook*) of this Part VI).

## **6. PRINCIPAL OPERATIONS**

### **Client and distribution channels**

The Group's principal distribution channels are as follows:

#### ***Adviser Solutions - Independent Financial Advisers***

IFAs are a core Brooks Macdonald client group. They work with Brooks Macdonald because of its comprehensive investment proposition and CIP, which deliver robust and consistent investment returns to protect and enhance their clients' wealth. IFAs determine which of Brooks Macdonald's services are most suitable for their client, based on their risk profile and their financial objectives. In some cases, the Group provides a white-labelled service for IFAs. The Group builds strong relationships with its IFAs and is well-positioned to benefit from increasing demand for outsourced investment management. The Group can, on occasion, provide a potential exit route for IFAs looking to sell their business. The Group aims to solidify its position as a leading investment manager for IFAs.

#### ***Financial Planning - Private clients***

The Group engages with its private clients directly for financial planning. Brooks Macdonald works with these clients to understand whether they need one-off advice or more regular financial planning. The Group directly provides both 'restricted' advice

through its network of Restricted Financial Advisers, including the provision of its investment management services, and independent 'whole of market' advice through its network of Internal Financial Advisers.

In certain cases the Group also provides investment management services directly without financial planning. In all cases where the Group provides an investment management service, it seeks to deliver consistent, robust, investment performance for its clients through the CIP and exceptional client service through its client-centric culture.

## **Products**

Brooks Macdonald provides its services through six distinct product lines.

### ***Bespoke Portfolio Service***

The Group's BPS is designed for clients who want to construct an individual investment portfolio. The Group's Financial Advisers maintain a detailed knowledge of their clients' investment requirements to support the delivery of risk-adjusted investment returns appropriate to their clients' objectives. The range of investments includes unit trusts, open-ended investment companies, exchange-traded funds, investment trusts and cash, as well as individual equity and bond securities. Portfolios using BPS follow the core asset allocation and asset selection recommendations of the CIP.

In addition to the Group's core BPS offering, BPS also includes five specialised services aimed at clients with distinct sets of needs:

- *Responsible Investment Service*, designed for clients with the dual objectives of responsible investment and return generation in line with defined risk profiles.
  - The Group also offers two distinct responsible investment strategies:
    - *Avoid*, the values-based objective of the Avoid strategy is to prevent exposure to companies involved in the production of armaments, tobacco, alcohol, gambling and pornography.
    - *Advance*, the objective of the Advance strategy is to invest in businesses that provide solutions to sustainability challenges, or businesses that have strong corporate policies relating to ESG criteria.
- *Decumulation Service*, a bespoke approach, designed to help meet clients' income requirements by aiming to address short term risk whilst retaining the ability for longer-term assets to contend with inflation risk.
- *Court of Protection Service*, aimed at clients investing following settlement of personal injury or clinical negligence claims, many of whom are vulnerable due to the effects of their injuries.
- *Gilts Service*, a new service aimed at clients seeking to take advantage of the higher interest rate environment whilst avoiding equity risk.
- *Liquid Reserve Portfolio*, a new service designed to give clients an alternative to holding significant sums of cash in bank accounts. It aims to generate an annualised return equal to, or more than, the Bank of England's base rate, by investing in high quality short-term money market instruments and fixed income securities such as bonds.

### ***Managed Portfolio Service***

The Group's managed portfolio service ("**MPS**") provides a choice of investment into a range of risk-managed model portfolios, each investing across a different mix of asset classes. Each model portfolio is designed to achieve specific investment objectives within a specific risk profile. MPS portfolios are managed by a dedicated team of investment and portfolio managers in accordance with the CIP. As part of its MPS, the Group offers Responsible Investment Service model portfolios using the Advance strategy.

### ***AIM Portfolio Service***

The Group's AIM Portfolio Service provides clients with access to a carefully selected portfolio of AIM-quoted companies that are judged to have attractive long-term investment potential. The investment universe is restricted to companies that qualify for Business Relief, allowing investors to benefit from inheritance tax exemptions.

### ***BM Investment Solutions***

Through BMIS the Group designs propositions for IFAs who are looking for investment solutions to meet specific investment objectives for their clients. These are delivered via an open-ended fund solution or an investment platform, in fund or model portfolio form. The proposition includes combined marketing efforts with co-branding of client-facing materials and other business support.

### ***Multi-Asset and Investment Funds***

The Group's fund ranges allow investors to gain access to the Group's investment management expertise and CIP through a pooled fund solution. The Group offers two fund ranges:

- *SVS Brooks Macdonald Blueprint Funds*, a range of four risk-managed multi-asset funds: defensive income, cautious growth, balanced and strategic growth.
- *SVS Cornelian Risk Managed Funds*, a range of six multi-asset funds: defensive, cautious, managed income, managed growth, growth, and progressive. All but the managed income fund are available in a format that invests in predominantly passive funds.

### ***Financial Planning***

The Group's Financial Planning business provides integrated financial planning and wealth management advice services to high-net-worth individuals and families, enabling clients to build, manage and protect their wealth. For non-investment products, advice is independent 'whole of market' advice; for investment products and services, advice can be either 'restricted', whereby the investment product will be provided by the Group, or independent, where the client requests it or they have complex requirements. The service is advice-driven rather than product-driven, providing clients with a coherent, affordable strategy aimed at achieving their long-term goals. In addition to financial planning, the Group works in collaboration with other professional advisers such as solicitors, accountants and wealth managers to help provide a comprehensive service to its clients.

The Group is proactively building its financial planning capability to support the development of its Financial Planning business. Following completion of the Lucas Fettes Acquisition, the CST Wealth Management Acquisition and the LIFT-Financial Group Acquisition, the number of Financial Planners at Brooks Macdonald has increased from 28 to 59.

## 7. MARKET OVERVIEW, KEY TRENDS AND POSITIONING

The key trends affecting the UK investment management market and an overview of the Group's positioning in respect of these trends is as follows:

### **Short-term trends**

#### ***UK and global economy***

Since 2022 the UK has experienced elevated inflation. This has led to a rise in interest rates and increased living costs for consumers, meaning the wealth management industry has faced a period of increased outflows. Over the past year, inflation has begun to fall and the Group has seen an improvement in investor sentiment, together with expectations for further reductions in interest rates. This has not yet resulted in a significant change in investor behaviour, but the Group expects that falling interest rates and a more stable political backdrop in the UK will result in a more positive outlook.

Given market uncertainty, within asset allocation, the Group advocates balance in portfolios, both between value and growth stocks and across geographies, including the UK. More broadly, the Group continues to work closely with IFAs and current and prospective clients to manage sentiment and support net flows.

#### ***Changing product preferences***

The investment landscape continues to evolve with Financial Advisers increasingly moving away from their historic use of discretionary fund managers as providers of bespoke portfolio services in their custody, to model portfolio services and funds delivered on third-party platforms. This changing product mix gives the industry a lower revenue yield per pounds sterling of FuM, but has less impact (and sometimes a positive impact) on profit margins, given the significant scalability of these services. Investment platform solutions are becoming increasingly popular, providing a substantial growth opportunity from both new assets entering the market and from non-platform assets gradually moving onto platforms. Platform managed portfolio services, where portfolios are held on third-party platforms, are the fastest growing segment of the UK investment management market, with UK FuM managed on such platforms increasing from approximately £53 billion at the end of 2019 to approximately £140 billion at end 2023, reflecting a compound annual growth rate of approximately 27 per cent. During the same period, the Group's MPS FuM increased from £793 million to £3.93 billion, reflecting a compound annual growth rate of 49 per cent, demonstrating significant growth in the Group's market share.

Brooks Macdonald has strong offerings in both MPS and Multi Asset Investment Funds, and has made them available in different formats, such as the Group's Responsible Investment Service MPS, across all of its major platforms. This has enabled the Group to drive strong positive net flows, particularly in MPS, where Brooks Macdonald is an established player with a strong track record. Within that, the Group's B2B BMIS offering, where it provides a range of support to IFAs, such as example white-labelled or co-branded marketing materials, has been particularly successful.

## **Long-term trends**

### ***Demographic changes***

The UK population continues to age, with the number of people over 60 in the UK forecast to grow by over 10 per cent between June 2024 and June 2030<sup>5</sup>, and nearly one in seven people projected to be over the age of 75 by 2040<sup>6</sup>. In parallel, the policy framework around retirement in the UK is favourable for the wealth management industry, with people increasingly encouraged to make their own provision for retirement and pension freedoms adding to the need for financial advice. The total wealth of the UK population is projected to continue to grow, and over 70 per cent of that wealth is held by those aged 55 and over. Increased life expectancy, wealth and pension freedoms all add to the increasing demand for advice as complex financial decisions are in the hands of individuals.

Brooks Macdonald works with clients to support them in their retirement planning, as retirement is the biggest trigger for people seeking financial advice. The Group's Decumulation service is aimed at a growing number of people in the early years of retirement balancing the need for income with the need to stay invested to protect future wealth.

### ***More clients working with IFAs and IFAs increasingly outsourcing***

Investors are increasingly working with IFAs, the Group's primary distribution channel, as the need for clients to make complex financial decisions grows. Across the UK, the number of investors working with IFAs grew from approximately 2.2 million in 2016 to approximately 3.6 million in 2023,<sup>7</sup> representing a 7 per cent compound annual growth rate. In addition, IFAs continue to look to outsource investment management to allow them to focus on advising their clients and to reduce their regulatory and administrative burden.

Brooks Macdonald continues to help IFAs serve their clients in ways that work for both IFAs and their clients, applying investment management expertise to protect and enhance clients' wealth. The Group is flexible in its approach, offering bespoke portfolios with more specialist variants (such as the Responsible Investment Service, Decumulation and Court of Protection). The Group also offers model-based and unitised solutions, alongside BMIS options more tailored to the needs and requirements of the IFA. The growth in the Group's MPS proposition indicates that these solutions are sought by IFAs, as they fulfil their regulatory requirements as well as providing attractive solutions for their clients.

### ***Regulatory***

The FCA supervises the investment management and financial planning activities of Brooks Macdonald. Over time, the FCA has pivoted to outcomes-based regulation with a requirement for firms to show how they are set up to deliver good outcomes for clients. In particular, the Consumer Duty, which requires firms to "act to deliver good outcomes for retail customers", has set higher and clearer standards of consumer protection across financial services, and applies to the Group's business in both investment management and financial planning. The FCA continues to focus on ensuring advice and investment management is conducted appropriately and professionally, and on giving transparency to clients on fees and charges.

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<sup>5</sup> Source: UK Office for National Statistics

<sup>6</sup> Source: UK Government Office for Science

<sup>7</sup> Source: FCA Retail Mediation Activities Returns for 2016 and 2023

The Consumer Duty represents a significant change and opportunity for the wealth management industry, highlighting the importance of delivering good outcomes for the Group's clients. This has always been a focus for Brooks Macdonald due to its strong client-centric culture. The Group is focused on fulfilling the Consumer Duty's price and value outcome principle, in particular, by moving clients of an appropriate size from its bespoke offering to an MPS product. This will reduce costs for clients, whilst also providing attractive investment options.

Please refer to Part VII (*Regulatory Environment*) of this Prospectus for further detail regarding the Consumer Duty and the regulatory regime to which the Group is subject.

### ***Digital technology***

Digital technology is increasingly a 'must have' enabler of financial services, with clients expecting digital functions to complement face-to-face relationships. The Group continues to improve its client and Financial Adviser portal and other client-facing digital tools, focused on making Brooks Macdonald easy to do business with. In parallel, during the financial year ended 30 June 2024 the Group implemented the first phase of Salesforce client relationship management, focused on Financial Advisers, and the second phase, which addresses private clients, is under way. By replacing multiple legacy CRM systems with a single enterprise-level CRM, the Group is ensuring that its interactions with clients and Financial Advisers are timely and meet their needs. The Group's technological improvements are aligned with good practice from a Consumer Duty perspective, whilst also ensuring efficient and appropriate record-keeping.

### ***Consolidation***

The competitive landscape in investment management is complex, with numerous types of competitor and varying business models addressing different, but overlapping, segments of the market. Types of competitor include integrated wealth managers, IFAs who may conduct some, or all, of their own investment management, platform providers who serve IFAs, competitors focused on providing model portfolios and fund solutions, as well as the wealth arms of the major high street banks and high-end private banks. A major trend in recent years has been the increasing prevalence of vertical integration, with firms offering both financial planning and investment management. This has involved investment managers buying IFAs to get closer to clients and advice firms, particularly IFA consolidators, moving away from 'whole of market' advice and taking on investment management as a further revenue stream. Whilst the Group has seen consolidation in recent years among both IFAs and investment managers, the industry remains highly fragmented. The Group expects that consolidation will continue and potentially accelerate, and selective, high-quality acquisitions remain part of the Group's strategy.

### ***Pricing***

New market entrants attracted by the scale of the MPS market opportunity continue to exert pressure on pricing. The Group expects this established trend to continue, highlighting the need for the scale and balance that its business model provides through its specialist BPS products. The Group's scale, breadth of distribution, investment performance track record and the valued service that it provides its clients remain key differentiators for Brooks Macdonald.

### **What these market trends mean for Brooks Macdonald**

The UK wealth management market continues to grow significantly and has an attractive outlook. The fundamental opportunity for Brooks Macdonald remains strong and improving, with scope to increase market share in all products.

The Group's distribution model means it is well placed to grow across both its Adviser Solutions and Financial Planning channels. The breadth of the Group's investment management and financial planning offering is well positioned to capture the market opportunity arising from increased financial freedoms and the increased need for financial advice.

Brooks Macdonald is adapting its offering to meet both short-term challenges in the market and to cater to Financial Advisers' and clients' changing needs, with a strong set of specialised BPS products, including its Gilts and Decumulation products, further development of Multi-Asset and Investment Funds and unitised solutions tailored to the Financial Adviser, and consistent business-to-business BMIS delivery.

Technological change will continue to raise clients' expectations regarding how the Group interacts with them. The Group's investment in technology is designed to ensure that Brooks Macdonald is easy to do business with, and that it provides market-leading Financial Adviser experience and client service levels.

## **8. RECENT MATERIAL TRANSACTIONS**

### **The BMI Disposal**

On 12 September 2024 the Company announced that it had agreed to sell BMI to Canaccord for total cash consideration of up to £50.85 million (the "**BMI Disposal**"). The Company announced that completion of the BMI Disposal had occurred on 24 February 2025.

The BMI Disposal concluded the strategic review of the Group's international operations announced on 7 March 2024. It simplified the Group's operations and will allow it to focus on its core activities of high-quality investment management and financial planning within the UK. The proceeds of the BMI Disposal will allow for focused investment in the Group's core proposition and will enhance its ability to capitalise on the structural opportunities in the UK, to grow organically and through targeted M&A.

BMI held the Group's International business in the Crown Dependencies. The Group no longer has a presence in the Crown Dependencies and now holds its UK Investment Management business only. The Group expects to review and determine the appropriate operating business divisions of the Group for future financial reporting periods during the second half of 2025.

As at and for the financial year ended 30 June 2024, BMI had revenue of £19.9 million, statutory loss before tax of £0.3 million and net assets of £23.4 million. As at and for the six months ended 31 December 2024, BMI had revenue of £9.3 million, statutory loss before tax of £0.5m and net assets of £28.0 million. As at 31 December 2024, BMI had FuM of £2.3 billion.

### **The LIFT-Financial Group Acquisition**

On 8 October 2024 the Company announced that it had agreed to acquire LIFT-Financial Group for total consideration of up to £45 million (the "**LIFT-Financial Group Acquisition**"). Completion of the LIFT-Financial Group Acquisition occurred on 31 January 2025.

LIFT-Financial Group offers wealth management, mortgage and insurance services and is headquartered in Greater Manchester, with offices in London and Edinburgh. It has a high-quality base of approximately 1,400 clients made up of private individuals (predominantly in financial services and professional sports), families and corporate clients. The LIFT-Financial Group Acquisition aligns with the Group's strategy by expanding its client reach and accelerating growth in financial planning.

As at and for the financial year ended 31 December 2023 (being the latest date for which audited financial statements for LIFT-Financial Group are available), LIFT-Financial Group had revenue of £11.3 million, profit before tax of £0.5 million, net assets of £0.8 million, assets under advice ("AuA") of £1.6 billion and FuM of £600 million. The LIFT-Financial Group Acquisition is expected to be accretive to the Group's underlying earnings per share in the first full year of ownership.

## **9. OUTLOOK**

There is uncertainty regarding the performance of the UK economy against the backdrop of the proposed changes announced by the government in its October 2024 budget. The election of US President Trump in November 2024 and the full effects of the subsequent tariff actions and push for a peace settlement in Ukraine remain to be seen.

The Group anticipates that its full year performance will be in line with its expectations. As previously guided, the Group plans to achieve positive net flows later in the year and will maintain its focus on efficiency and cost discipline.

In the medium term the Group is targeting net flows of 5 per cent per annum and BAU cost growth of no more than 5 per cent per annum.

## **10. DIVIDEND POLICY**

Brooks Macdonald announced on 27 February 2025 that it had declared an interim dividend of 30 pence per share for the six months ended 31 December 2024. This represents an increase of 3.4 per cent compared to the dividend declared for the same period in the prior year. This interim dividend will be paid on 11 April 2025 to Shareholders on the register as at 14 March 2025.

Brooks Macdonald has a progressive dividend policy. It has consistently grown dividends year-on-year, with dividend increases in each of the 19 years prior to publication of this Prospectus (i.e., since it started trading on AIM in 2005). The Company intends to continue to announce dividends at the time of publication of its annual and interim results each year. The Board recognises the importance of dividends to Shareholders and the benefit of providing sustainable Shareholder returns. In determining the level of dividend in any year, the Board considers a number of factors such as the level of retained earnings, future cash commitments, statutory profit cover, capital and liquidity requirements and the level of profit retention required to sustain the growth of the Group.

The following table includes the amount of each dividend paid (and in the case of the interim dividend for the six months ended 31 December 2024, declared) by the Company during the period covered by the historical financial information.



<b>Period</b>	<b>Dividend Per Share (pence)</b>	<b>Aggregate Dividend (£m)</b>
Six months ended 31 December 2021	26.0	4.066
Full year ended 30 June 2022	45.0	7.021
Six months ended 31 December 2022	28.0	4.401
Full year ended 30 June 2023	47.0	7.467
Six months ended 31 December 2023	29.0	4.627
Full year ended 30 June 2024	49.0	7.865
Six months ended 31 December 2024	30.0	4.824

The ability of the Company to pay dividends is dependent on a number of factors and the Board may revise the Company's dividend policy from time to time. As a result, there can be no assurance that the Company will pay dividends or, if a dividend is paid, what the amount of any such dividend will be.

## **11. SHARE BUYBACK**

On 28 January 2025 the Company announced a share buyback programme in respect of its Ordinary Shares having an aggregate value of up to £10 million (representing 4.1 per cent of the Ordinary Shares in issue as at that date, at the then market price of the Ordinary Shares).

The buyback programme will end no later than the announcement of the Company's results for the financial year ending on 30 June 2025, expected in September 2025.

All of the Ordinary Shares will be purchased in the open market and not more than 15,000 Ordinary Shares (representing less than 0.1 per cent of the Ordinary Shares in issue as at 28 January 2025) will be purchased on any given trading day. All of the Ordinary Shares purchased will be cancelled to reduce the Company's share capital.

The buyback is being carried out in accordance with the Company's general authority to repurchase its Ordinary Shares granted at its Annual General Meeting on 24 October 2024, which received 99.99 per cent approval from Shareholders.

## **12. EMPLOYEES**

The average monthly number of employees of the Group (including Directors) during each period covered by the historical financial information is included in the following table.

<b>Full year ended 30 June 2022</b>	<b>Full year ended 30 June 2023</b>	<b>Full year ended 30 June 24</b>	<b>Six months ended 31 December 24</b>
454	509	485	476

Between 31 December 2024 and the Latest Practicable Date, the number of employees of the Group had not changed materially, other than in respect of the BMI Disposal, which reduced the number of employees of the Group by 55 employees, and the LIFT-Financial Group Acquisition, which increased the number of employees of the Group by 102.

## **PART VII REGULATORY ENVIRONMENT**

### **1. OVERVIEW**

The Group operates in a highly regulated environment in the UK. This Part VII (*Regulatory Environment*) sets out an overview of the regulatory framework that currently applies to the Group.

#### **Regulated Entities**

Brooks Macdonald Asset Management Limited, Adroit Financial Planning Limited, Integrity Wealth Solutions Limited, CST Wealth Management Limited, Lucas Fettes and Partners (Financial Services) Limited, LIFT-Financial Ltd, LIFT-Invest Limited and LIFT-Advice Ltd are authorised and regulated by the FCA in the UK. LIFT-Insurance Ltd, LIFT-Mortgages Limited, LIFT-Workwise Limited and LIFT-Sport Limited are also able to carry out regulated activities as appointed representatives of LIFT-Financial Ltd.

### **2. UK REGULATORY FRAMEWORK**

#### **The FCA**

As noted above, the Group includes entities that are authorised and regulated by the FCA. The FCA regulates the conduct of every authorised firm. The FCA's operational objectives are to protect consumers from bad conduct, protect the integrity of the UK financial system and promote effective competition in the interests of consumers. The FCA also has a secondary objective to facilitate the international competitiveness and growth of the UK economy. The Financial Policy Committee, a committee of the Bank of England's governing body, is responsible for the macro-prudential regulation of the entire financial services sector.

#### **FCA rule making powers**

In pursuance of its operational and secondary objectives, the FCA has powers under FSMA to make legally binding rules applicable to authorised firms, which are set out in the FCA Handbook.

#### **Permission to carry on regulated activities in the UK**

To authorise a firm to carry on regulated activities in the UK, the FCA must determine that the applicant meets the requirements of FSMA, including certain minimum threshold conditions which must be satisfied (not only at the time of authorisation, but also on an ongoing basis) for a firm to have permission to carry on the relevant regulated activities under FSMA. These requirements include the applicant's legal form, whether the applicant has adequate resources (both financial and non-financial) to carry on its business and whether, having regard to all the circumstances (including whether the applicant's affairs are conducted soundly and prudently), the applicant is a fit and proper person to conduct the relevant regulated activities, among other things.

#### **Principles for Businesses**

The FCA's Principles for Businesses (the "**Principles**") set out the high-level principles applicable to all FCA authorised persons in the UK. Among other things, the Principles require firms to treat customers fairly, maintain adequate financial resources and communicate with customers in a way that is clear, fair and not misleading.

In relation to Principle 6, 'treating customers fairly', there are six key consumer outcomes that the FCA expects firms to focus on to ensure they are treating customers fairly in

accordance with the Principles. These outcomes apply in situations where the Consumer Duty does not apply. The outcomes require firms to ensure that: (i) consumers can be confident they are dealing with firms where the fair treatment of customers is central to the firm's corporate culture; (ii) products and services marketed and sold in the retail market are designed to meet the needs of identified consumer groups and are targeted accordingly; (iii) consumers are provided with clear information and are kept appropriately informed before, during and after the point of sale; (iv) where consumers receive advice, the advice is suitable and takes account of their circumstances; (v) consumers are provided with products that perform as firms have led them to expect, and the associated service is of an acceptable standard and as they have been led to expect; and (vi) consumers do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint.

### **The Consumer Duty**

The Consumer Duty sets higher expectations for the standard of care that firms provide to retail customers, which goes beyond the FCA's current set of Principles and rules. The Consumer Duty came into force on 31 July 2023 for all new products and services, and all existing products and services that remained on sale or open for renewal, and on 31 July 2024 for all closed products and services. There are three elements to the Consumer Duty: (i) a new consumer principle (Principle 12) which states "a firm must act to deliver good outcomes for retail customers"; (ii) new cross-cutting rules which will support the consumer principle by setting clear expectations for firms' cultures and behaviours; and (iii) the 'four outcomes' – a suite of other rules and guidance linked to four particular outcomes that represent the key elements across the whole firm-consumer relationship. The outcomes relate to the quality of firms' products and services, the price and value of products and services, consumer understanding and support for consumers.

### **Supervision and enforcement**

The FCA has powers to take enforcement action including the ability to sanction UK authorised firms, restrict firms from undertaking new business, public censure, financial restitution, fines and, ultimately, revocation of permission to carry on regulated activities. The FCA may also take enforcement action against individuals performing certain controlled functions under the Senior Managers and Certification Regime ("**SMCR**"). Please refer to the paragraph entitled "*Senior management, systems and controls*" of paragraph 2 (*UK Regulatory Framework*) of this Part VII for further detail on the SMCR. The FCA has further powers to obtain injunctions against UK authorised firms and to impose or seek restitution orders where consumers have suffered loss. In certain circumstances, the FCA also has the power to take action against unauthorised parent undertakings of UK authorised persons (such as the Company), including by issuing directions to do or refrain from doing a particular activity. Under certain conditions, the FCA may also pursue the criminal prosecution of businesses.

### **Consumer complaints and compensation**

UK authorised firms fall under the compulsory jurisdiction of the FOS when performing certain types of activity, including activities regulated under FSMA. Authorised firms are required to have adequate complaints handling procedures in place but, where these are exhausted and the complaint or dispute has not been resolved, the FOS provides for dispute resolution in respect of certain categories of customer complaints brought by individuals and small business customers. Firms covered by the FOS are required to pay levies and case fees, which provide the funding for the FOS. The Financial Services Compensation Scheme ("**FSCS**"), which is also established under FSMA, seeks to protect

customers of UK authorised firms that are unable or unlikely to be able to meet their financial obligations to customers. The FSCS provides compensation to certain categories of customer who suffer loss because of the failure by a regulated firm to meet its liabilities arising from claims made in connection with regulated activities. The FSCS is funded by way of levies imposed on all its participating financial services firms, including entities within the Group.

### **Change of control**

FCA approval is required under FSMA where any person proposes to acquire or increase control over, among others, FSMA-authorised firms in the UK. Supervisory approval may also be required where a person who is already a controller of such a firm proposes to increase its control in excess of certain thresholds set out in FSMA. In most circumstances, "control" over a UK regulated firm is acquired if the acquirer: (i) holds 10 per cent or more of the shares and/or voting power in that firm or a parent undertaking; or (ii) is otherwise able to exercise significant influence over the management of the firm by virtue of the acquirer's shares or voting power in the firm or a parent undertaking.

### **Market abuse**

The FCA has power to impose fines and other civil sanctions on individuals and firms that commit market abuse. The definition of market abuse is set out in UK MAR, which refers to three abusive behaviours (insider dealing, unlawful disclosure of inside information and market manipulation) one or more of which constitute market abuse when committed in relation to traded financial instruments, instruments not traded but which reference such traded financial instruments, or emission allowances. The FCA may impose an unlimited fine on any person that engages in market abuse, or that has encouraged or required another person to do so. As an alternative to imposing a fine, the FCA may publish a statement of public censure or apply to the UK court under FSMA for an injunction or restitution order. The FCA also has the power to impose other administrative sanctions, including the power to enter premises under a warrant and the power to cancel or suspend trading in financial instruments. In addition to the civil regime under FSMA and MAR, the FCA has power to prosecute the criminal offence of insider dealing under the Criminal Justice Act 1993 and the criminal offences of making false or misleading statements or creating false or misleading impressions in relation to specified benchmarks under the Financial Services Act 2012.

### **Money laundering and terrorist financing**

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and the Proceeds of Crime Act 2002, (the "**ML Regulations**") place requirements on firms undertaking certain financial activities. Such firms must take appropriate steps to identify and assess the risks of money laundering and terrorist financing to which their business is subject, taking into account the information made available to them and risk factors relating to their customers, geographic areas in which they operate, their products, services, transactions and delivery channels. Breach of the ML Regulations may give rise to criminal or civil liability, as well as regulatory censure. The Joint Money Laundering Steering Group produces guidance which sets out what is expected of firms and their staff in relation to the prevention of financial crime, thereby providing a sound basis for firms to meet their legislative and regulatory obligations when tailored by firms to their particular risk profile. Firms are encouraged to have regard to this guidance as industry good practice.

## **EU-derived regulation**

The regulatory framework applicable to wealth management and investment advice firms in the UK is derived largely from EU legislation that now forms part of domestic UK law by virtue of the EU (Withdrawal) Act 2018, as amended from time to time, and was subsequently assimilated by the Retained EU Law (Revocation and Reform) Act 2023 and, in some cases, has been implemented in detail by means of rules and guidance made by the FCA.

The Group includes entities that are subject to the IFPR. The IFPR's requirements include, among other things: (i) minimum regulatory capital and liquid assets requirements that must be maintained on an individual basis by the FSMA authorised entities and by the UK parent undertaking within the prudential consolidation group, (ii) rules on the way the Group remunerates its staff, and (iii) mandatory public disclosures. The specific requirements which apply under the IFPR vary depending on whether or not the investment firms are classified as small and non-interconnected firms ("**SNIs**"). The Group's prudential consolidation group has been classified as non-SNIs and as such is subject to the core requirements of the IFPR.

The UK legislation and rules regulating markets in financial instruments ("**UK MiFID**") impose a series of requirements on UK investment firms including authorisation and organisational requirements, conduct of business rules (as detailed below), rules for handling client assets, pre- and post- trade transparency requirements when dealing with over-the-counter financial instruments and transaction reporting, among others things. These rules apply to Brooks Macdonald Asset Management Limited as the Group's sole MiFID investment firm.

### **Conduct of Business Rules**

The FCA Handbook contains rules which apply to its authorised and regulated firms. The conduct of business rules within the FCA Handbook are relevant to how the UK FCA-regulated entities in the Group conduct their business with clients. The scope and nature of the obligations that apply to UK asset management and investment firms under the Conduct of Business Sourcebook ("**COBS**") depends on the scope of the individual firm's business and the nature of its clients. For example, many of the provisions in COBS only apply to firms that deal directly with retail customers. In very broad terms, the rules in COBS require firms to disclose certain information (including regarding fees and charges) to clients before providing services, ensure that any recommendations given in relation to investment advice are suitable for the client, ensure that non-advised investment services or products provided are appropriate for the client and provide (in certain circumstances) product information to clients, amongst other things. Firms authorised to carry on regulated activities relating to investment advice are subject to specific rules under COBS relating to the provision of investment advice. These include rules relating to the independence of advice, adviser charging and the acceptance or payment of inducements.

### **Senior management, systems and controls**

The Senior Management Arrangements, Systems and Controls sourcebook in the FCA Handbook contains general organisational requirements that apply to UK authorised and regulated firms. These requirements elaborate on Principle 3 (please refer to the paragraph entitled "*Principles for Businesses*" of paragraph 2 (*UK Regulatory Framework*) of this Part VII, which requires firms to take reasonable care to organise and control their affairs responsibly and effectively, with adequate systems.

In broad terms, the Senior Management Arrangements, Systems and Controls sourcebook contains rules relating to the persons who effectively direct the business of a firm. The rules require firms to, among other things, employ personnel with the skills, knowledge and expertise necessary for the discharge of the responsibilities allocated to them, implement systems and controls relating to compliance and risk controls, adhere to requirements relating to outsourcing and conflicts of interest, and implement remuneration policies and practices that promote sound and effective risk management.

### **Senior Managers and Certification Regime**

FCA-regulated businesses are also subject to the SMCR, which is an individual accountability regime made up of three components: (i) a framework which focuses accountability on a narrower group of individuals performing senior management functions, who must be approved by the FCA; (ii) a certification regime which requires employees of firms who may pose a risk of significant harm to the firm or its customers to be certified as fit and proper for their roles by the firm that employs them; and (iii) conduct rules which apply to all employees (excluding ancillary staff).

### **Client Assets**

Principle 10 (please refer to the paragraph entitled "*Principles for Businesses*" of paragraph 2 (*UK Regulatory Framework*) of this Part VII) requires firms to arrange adequate protection for client assets when the firm is responsible for them. The CASS rules elaborate on this requirement, setting out the rules which apply to firms that are permitted to hold client money and assets (which includes entities within the Group). The requirements set out in CASS aim to protect money and assets belonging to a firm's clients from the insolvency of that firm and to ensure that, if a firm is subject to insolvency proceedings, client money and assets can be promptly returned to the client. The rules seek to achieve this by requiring firms to keep client money and assets separate from their own, by preventing firms from using client money and assets for their own purposes and by requiring firms to keep records of the client money and assets that they do hold.

### **Sustainable disclosure requirements**

Certain listed companies (including the Company) together with asset managers, life insurers and FCA-regulated pension providers meeting certain quantitative thresholds are required to make comply or explain disclosures in their annual reports in relation to the Taskforce on Climate-Related Financial Disclosures recommendations.

In November 2023, the FCA published sustainability disclosure requirements (the "**SDR**"), which require companies, some financial institutions and occupational pension schemes to disclose sustainability related information. The intention of the SDR is to build transparency and trust by introducing: (i) labels to help consumers navigate the market for sustainable investment products; (ii) naming and marketing rules that restrict the use of certain sustainability related terms in the names or marketing materials of products unless the product uses a prescribed label; (iii) enhanced disclosure requirements when using labels or sustainability-related terms in names or marketing materials to help consumers understand the key sustainability-related features of a product; (iv) requirements for distributors to ensure product level information is available and clear to consumers; and (v) an anti-greenwashing rule to ensure that the marketing of financial products and services is clear, fair and not misleading and consistent with sustainability characteristics. The anti-greenwashing rule came into force on 31 May 2024. The UK's sustainable investment labelling and disclosure regime came into force on 31 July 2024, and the naming and marketing rules for fund managers came into force on 2 December

2024. The FCA consulted on proposals to extend the regime to portfolio managers and intends to publish final rules in Q2 2025. The proposals are primarily aimed at wealth management services for individuals and model portfolios for retail investors.

### **3. PROSPECTIVE UK REGULATION**

The following paragraphs provide an overview of some of the expected developments in UK regulation which may affect the Group. By nature this overview cannot be comprehensive and there can be no certainty that such developments will materialise as expected, or at all.

#### **Reform of the UK packaged retail and insurance-based investment products regime and the new replacement disclosure framework**

On 9 December 2022, HM Treasury published a consultation paper on its plans to repeal the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation, which forms part of UK law by virtue of the EUWA (the "**UK PRIIPs Regulation**"), and replace it with a new framework for retail disclosure. Retail disclosure regulations set the rules on what information and documentation needs to be provided when a member of the public (who is not a professional or institutional investor) buys an investment product. In the UK, some of these rules derive from the UK PRIIPs Regulation. The UK government noted that the UK PRIIPs Regulation has been widely criticised due to the misleading information it requires be provided to investors and the unnecessary burden it places on firms. HM Treasury's December 2022 consultation set out the UK government's plans to revoke the UK PRIIPs Regulation and sought views on a proposed alternative framework for retail disclosure. HM Treasury's response to the consultation confirmed that it intended to proceed with its plan to remove all UK PRIIPs firm-facing retail disclosure requirements and on this basis, published a statutory instrument in November 2024, the Consumer Composite Investments (Designated Activities) Regulations 2024 (the "**CCI Regulations**").

The CCI Regulations set out the framework for the new UK retail disclosure requirements for consumer composite investments, those investments and contracts of insurance (or any interest in an investment or contract of insurance) where the value or amount payable to the investor goes up or down because of exposure to reference values, which track the performance of a group of assets, or to the performance of one or more assets which are not directly purchased by the investor.

The CCI Regulations define manufacturing, advising, and offering a CCI as designated activities that will require disclosures to retail investors. All firms involved in these activities, regardless of their authorisation status, will be within the FCA's rules for retail disclosure. Also, firms may be exposed to civil liability concerning disclosures provided to retail investors who suffer loss. The FCA retains its powers of supervision and enforcement with modifications under the new system. It also provides a transition period for funds presently offering a key investor information document in compliance with the UK's onshored version of the UCITS Directive.

Part 1 (Introductory), Part 2 (designated activities and FCA powers), and the remaining provisions (for the purposes only of enabling the FCA to make rules, give directions or guidance, or issue statements of policy) came into force on 22 November 2024. The commencement day for the remainder of the CCI Regulations is yet to be determined but will occur on the same day that the UK PRIIPs Regulation is revoked.

## **Fraud Prevention**

A new failure to prevent fraud offence has been included in the Economic Crime and Corporate Transparency Act 2023. This applies to large companies and partnerships who will be liable if a specified fraud offence is committed by one of their employees or agents for the benefit of the organisation, where reasonable fraud prevention procedures are not in place. The Home Office published guidance on 6 November 2024 on the new offence. The publication of the guidance started an implementation period allowing organisations to develop and implement their fraud prevention procedures. The implementation period is expected to last for nine months from publication of the guidance.



**PART VIII**  
**DIRECTORS AND CORPORATE GOVERNANCE**

**1. DIRECTORS**

**Board of Directors**

The Directors and their principal functions within the Company together with a brief description of their management experience and expertise and principal business activities outside the Company, are set out below. The business address of each of the Directors (in such capacity) is 21 Lombard Street, London EC3V 9AH.

<b>Name</b>	<b>Position</b>
Maarten Slendebroek	Chair
Andrea Montague	Chief Executive Officer
Katherine Jones	Chief Financial Officer
Robert Burgess	Senior Independent Non-Executive Director
Dagmar Kershaw	Independent Non-Executive Director
John Linwood	Independent Non-Executive Director
James Rawlingson	Independent Non-Executive Director

*Maarten Slendebroek - Chair*

Maarten joined Brooks Macdonald in November 2023 as a Non-Executive Director, taking over as Chair in March 2024. Maarten has extensive experience in financial services, including as CEO of Jupiter Fund Management for five years from 2014 until 2019, having joined the firm as Strategy and Distribution Director in 2012. Prior to that, he worked at Blackrock and predecessor companies from 1994, holding several positions including head of BlackRock Solutions EMEA and head of International Retail. Maarten started his career in 1987 as an equity analyst at Enskilda Securities in London. He is Chair of the Supervisory Board of Robeco, a global asset management company with its HQ in Rotterdam, and Chair of Mintus, a London-based art investment fintech start-up. Maarten is also a Non-Executive Director of Law Debenture Corporation plc.

*Andrea Montague - Chief Executive Officer*

Andrea joined Brooks Macdonald in August 2023 as Chief Financial Officer and was appointed Chief Executive Officer Designate in June 2024, becoming Chief Executive Officer with effect from October 2024. Most recently, Andrea was Group Chief Risk Officer at Aviva, where she had previously been Group Chief Financial Controller. Prior to that, Andrea has held senior leadership roles including Deputy Group CFO at Royal London and Group Chief Internal Auditor at Standard Life plc. Her formative years were spent at PwC, where she qualified as a Chartered Accountant.

*Katherine Jones - Chief Financial Officer*

Katherine was appointed Chief Financial Officer in November 2024. Most recently Katherine was Group Finance Director at Phoenix Group Holdings plc. Prior to that, she held senior finance roles at Prudential plc and Just Group plc. Katherine is a Chartered Accountant and began her career at KPMG.

*Robert Burgess - Senior Independent Non-Executive Director*

Robert joined Brooks Macdonald as a Non-Executive Director in August 2020. He is Chair of the Risk and Compliance Committee and a member of the Audit, Remuneration and Nomination Committees. Robert was appointed Senior Independent Director in May 2023. Robert is currently a Non-Executive Director at OakNorth Bank, where he chairs

both the Risk and Compliance Committee and the Credit Committee. Robert is also the Chair of Invest & Fund, a specialist fintech business. Robert has over 25 years of financial services experience across leading banking, wealth, asset management and fintech firms. He has held senior executive positions including at Lloyds Banking Group and Scottish Widows, and he was previously a Board Director of Alliance Trust plc and CEO of Alliance Trust Savings.

*Dagmar Kershaw - Independent Non-Executive Director*

Dagmar joined Brooks Macdonald as a Non-Executive Director in July 2020. She is a member of the Audit, Risk and Compliance, Remuneration and Nomination Committees, and also attends Investment Committee meetings. Dagmar is currently a senior adviser to Strategic Value Partners, Non-Executive Chair of Volta Finance, a Director of Royal London Asset Management and a Director of Scotiabank Ireland. Dagmar has over 30 years' experience in debt and fixed income markets, with a particular focus on alternative and structured investing. Dagmar previously spent eight years at Intermediate Capital Group as Head of Credit Fund Management and 10 years in senior positions at M&G Investments. Dagmar is a trustee of Laurus Trust.

*John Linwood - Independent Non-Executive Director*

John joined Brooks Macdonald as a Non-Executive Director in September 2018. He is Chair of the Remuneration Committee and is a member of the Audit, Risk and Compliance and Nomination Committees. Prior to joining Brooks Macdonald, John was the Executive Vice President and Chief Technology Officer of Wood Mackenzie, Chief Technology Officer for the BBC, and a Senior Vice President of International Engineering at Yahoo Inc. John also held a number of senior positions at Microsoft Corp. between 1993 – 2004. John is a Non-Executive Director of National Energy System Operator Limited and Intercede Group plc.

*James Rawlingson - Independent Non-Executive Director*

James joined Brooks Macdonald as a Non-Executive Director in March 2023, becoming Chair of the Audit Committee in May 2023. James is also a member of the Risk and Compliance, Remuneration, and Nomination Committees. James is currently a Non-Executive Director on the boards of Citibank UK and Wilton Park, which is an arm's length body of the British Foreign Office. James has enjoyed a long executive and non-executive career principally in financial services, including roles at Charles Stanley plc, Coutts, UBS and Arix Bioscience. He is a Chartered Accountant and a Chartered Member of the Chartered Institute for Securities and Investments.

Please refer to paragraphs 6 (*Articles of Association*), 8 (*Other Directorships and Partnerships held by the Directors*), 9 (*Directors' Interests*), 10 (*Executive Directors' Service Contracts*), 11 (*Non-Executive Directors' Letters of Appointment*), 12 (*Directors' Remuneration and Benefits*) and 13 (*Directors' Pensions*) of Part XIV (*Additional Information*) for further information in relation to the Directors.

## **2. CORPORATE GOVERNANCE**

The Board is committed to the highest standards of corporate governance. The Company has chosen to adopt and comply with the UK Corporate Governance Code since its 2018-2019 financial year. From Admission the UK Corporate Governance Code will continue to apply to the Company, and the Company will report to Shareholders on its compliance and any non-compliance in accordance with the UK Corporate Governance Code and the UKLR. Save as explained under the paragraph headed "*Comply or Explain*" in this Part VIII (*Directors and Corporate Governance*) below, the Company currently complies with the provisions and recommendations of the UK Corporate Governance Code.

## **The Board**

The Board is responsible for leading and controlling the Group and has overall authority for the management and conduct of its business, strategy and development. The Board is also responsible for ensuring the maintenance of a sound system of internal controls and risk management (including financial, operational and compliance controls) and for reviewing the overall effectiveness of systems in place as well as for the approval of any changes to the capital, corporate and/or management structure of the Group.

### ***Board and committee independence***

The UK Corporate Governance Code recommends that at least half the board of directors of a UK listed company, excluding the chair, should comprise non-executive directors determined by the board to be independent in character and judgement and free from relationships or circumstances which may affect, or could appear to affect, their judgement. The Board has determined that all of the Non-Executive Directors are free from any business or other relationship that could materially interfere with the exercise of their independent judgement and are therefore independent non-executive directors within the meaning of the UK Corporate Governance Code. Upon Admission, the Company is expected to have two Executive Directors and four independent Non-Executive Directors, plus the independent Chair, and will therefore comply with the UK Corporate Governance Code in this respect. The Board intends to carry out an annual re-assessment of the ongoing independence of each of the Non-Executive Directors and to make an appropriate statement disclosing their status in the Company's annual report.

### ***Chair of the Board***

The UK Corporate Governance Code recommends that a chair should meet the independence criteria set out in the UK Corporate Governance Code on appointment. The Board considers that Maarten Slendebroek was independent on appointment to the Board as a Non-Executive Director in November 2023 and was independent upon his appointment as Chair in March 2024. The Company therefore complies with the UK Corporate Governance Code in this respect.

### ***Senior independent director***

The UK Corporate Governance Code recommends that the board of directors of a UK listed company should appoint one of the independent non-executive directors to be the senior independent director to provide a sounding board for the chair and to serve as an intermediary for the other directors when necessary. The senior independent director has an important role on the board in leading on corporate governance issues and being available to Shareholders if they have concerns, which contact through the normal channels of the Chair, Chief Executive Officer or other executive directors has failed to resolve, or for which such contact is inappropriate. Robert Burgess is the senior independent director of the Company and the Company therefore complies with the UK Corporate Governance Code in this respect.

### ***Re-election***

The UK Corporate Governance Code recommends that all directors should be subject to election by Shareholders at the first Annual General Meeting after their appointment, and to annual re-election thereafter. The Articles of Association provide that one third of the Directors will put themselves up for re-election at each Annual General Meeting (being those Directors who are the longest serving Directors since their appointment or last re-election), provided that each Director shall offer themselves up for re-election at least every three years. Consistent with past practice, each Director nevertheless intends

to put themselves up for re-election at each Annual General Meeting following Admission, and the Company therefore complies with the UK Corporate Governance Code in this respect.

### **Board Committees**

In accordance with the recommendations of the UK Corporate Governance Code the Board has established a number of committees, details of which are summarised in the following paragraphs. The terms of reference of these committees are documented formally and updated as necessary. If the need arises, the Board may set up additional committees as appropriate.

#### ***Audit Committee***

The Audit Committee is chaired by James Rawlingson and its other members are Robert Burgess, Dagmar Kershaw and John Linwood. The Audit Committee meets at least four times a year at appropriate intervals in the financial reporting and audit cycle, and otherwise as required.

The Audit Committee assists the Board in meeting its responsibilities for the integrity of the Group's internal financial controls and its financial reporting. In particular, this involves reviewing and challenging the Group's accounting policies and significant judgement areas and the integrity of its financial reporting. It also provides oversight and monitoring of the internal and external audit functions and works in conjunction with the Risk and Compliance Committee to review the effectiveness of the Group's risk management framework and internal controls, including whistleblowing procedures.

The Audit Committee's terms of reference provide that the Audit Committee must comprise at least three members, all of whom must be independent non-executive directors, and one of whom should have recent and relevant financial experience, ideally with an accountancy qualification. A majority of Audit Committee members are required to have competence relevant to the financial services industry. Members of the Audit Committee, including the chair of the Audit Committee, are appointed by the Board.

The chair of the Audit Committee is expected to maintain a dialogue with key individuals involved in the Company's governance, including the Chair, the Chief Executive Officer, the Chief Financial Officer, the external audit lead partner and the Head of Internal Audit. The role of Head of Internal Audit at the Group has been performed by KPMG LLP since September 2018, and PwC have been the Group's external auditors since 2011. The chair of the Audit Committee is also expected to be available at Annual General Meetings of the Company to respond to questions from Shareholders on the Audit Committee and its activities and achievements, and should also seek engagement with Shareholders on significant matters related to the Audit Committee's areas of responsibility.

#### ***Remuneration Committee***

The Remuneration Committee is chaired by John Linwood and its other members are Dagmar Kershaw, Robert Burgess and James Rawlingson. The Remuneration Committee meets at least three times a year and otherwise as required.

The role of the Remuneration Committee is to exercise independent judgement in the determination, implementation and operation of the overall remuneration policy for the Group. It provides oversight of the design and application of the remuneration policy and makes recommendations to the Board regarding the overarching principles for all Group employees. It ensures the remuneration policy is consistent with the risk appetite of the Group and its strategic goals, and it reviews and approves the remuneration policies for and remuneration of the Chair, executive directors, members of the Executive

Committee, material risk takers within the Group and any other employees for whom enhanced oversight is either appropriate, or a regulatory requirement.

The Remuneration Committee's terms of reference provide that the Remuneration Committee must comprise at least three members, all of whom must be independent non-executive directors. The chair of the Remuneration Committee must be an independent Non-Executive Director who has served on a remuneration committee (of the Company or otherwise) for at least 12 months.

Members of the Remuneration Committee, including the chair of the Remuneration Committee, are appointed by the Board. Appointments to the Remuneration Committee are for a period of up to three years, which may be extended for further periods if the individual has performed satisfactorily and continues to meet the criteria for membership.

The Remuneration Committee Chair is expected to attend Annual General Meetings of the Company to answer any questions on the Remuneration Committee's activities and will act as a point of contact for Shareholders on remuneration policy matters.

### ***Nomination Committee***

The Nomination Committee is chaired by Maarten Slendebroek (except when dealing with matters relating to his own appointment), and its other members are Robert Burgess, Dagmar Kershaw, John Linwood and James Rawlingson. The Nomination Committee meets as frequently as necessary to fulfil its duties and responsibilities and has, on average, had two scheduled meetings in each of the last three full financial years.

The Nomination Committee is responsible for recommending Board and Board committee appointments and reviewing the composition of the Board and Board committees to ensure they are suitably constituted, with an appropriate balance of skills, experience, knowledge and diversity. This includes conducting the Company's annual Board effectiveness review. The Nomination Committee also monitors succession planning for the Group's leadership, to ensure the Group's continued ability to implement its strategy and operate effectively. The Nomination Committee is also responsible for reviewing and recommending to the Board any material changes to the structure, size and composition of the Group's regulated subsidiary company boards. It is responsible for keeping the Board's governance arrangements under review and making appropriate recommendations to the Board to ensure that the Company's arrangements are consistent with best practice corporate governance standards.

The Nomination Committee's terms of reference provide that the Nomination Committee must comprise at least three members, all of whom (including the chair) must be independent non-executive directors. Members of the Nomination Committee, including the chair of the Nomination Committee, are appointed by the Board.

The chair of the Nomination Committee is expected to attend Annual General Meetings of the Company to respond to questions from Shareholders on the Nomination Committee's activities.

### ***Risk and Compliance Committee***

The Risk and Compliance Committee is chaired by Robert Burgess and its other members are John Linwood, Dagmar Kershaw and James Rawlingson. The Risk and Compliance Committee meets as frequently as necessary to fulfil its duties and responsibilities, and not less than four times a year.

The role of the Risk and Compliance Committee is to assist the Board in meeting its risk management, regulatory, compliance and internal control responsibilities. In discharging

these governance responsibilities, the Risk and Compliance Committee chair liaises closely with the chair of the Audit Committee to ensure a clear allocation of responsibilities between the two committees, ensuring governance coverage across the risk landscape.

The Risk and Compliance Committee's terms of reference provide that the Risk and Compliance Committee must comprise at least three members, all of whom (including the chair) must be independent non-executive directors, and one of whom must be a member of the Audit Committee. Risk and Compliance Committee meetings are also attended by the Chief Risk Officer. Members of the Risk and Compliance Committee, including the chair of the Risk and Compliance Committee, are appointed by the Board.

The Risk and Compliance Committee chair is expected to attend Annual General Meetings of the Company to answer any questions on the Risk and Compliance Committee's activities and will act as a point of contact for Shareholders on risk and compliance policy matters.

### ***Comply or Explain***

#### ***External Board Performance Review***

The UK Corporate Governance Code recommends that there should be a formal and rigorous annual review of the performance of the Board, its committees, the Chair and individual Directors, and that the Chair should consider commissioning a regular externally facilitated Board performance review. The Company has established an internal performance review process in respect of this requirement. However, the Company does not currently consider that an externally facilitated review would provide significant incremental value over and above the Company's internal evaluation process. The Board periodically reassess the merits of an externally facilitated review of the Board's performance.

#### ***Post-Employment Shareholding Policy***

The UK Corporate Governance Code provides that remuneration schemes should promote long-term shareholdings by Executive Directors that support alignment with long-term Shareholder interests. In normal circumstances, share awards granted for this purpose should be released for sale on a phased basis and be subject to a total vesting and holding period of five years or more. In accordance with the UK Corporate Governance Code, the Remuneration Committee should develop a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares. In line with this recommendation, share awards granted to the Executive Directors are released for sale on a phased basis and subject to a three year vesting and a two year holding period. Given the Company's existing leaver provisions, the Remuneration Committee has not, to date, implemented a formal policy for post-employment shareholding requirements but intends to do so following Admission. Please refer to paragraph 4 (*Remuneration Policy*) of this Part VIII for information regarding expected changes to the Directors' remuneration policy following Admission.

### **3. INSIDE INFORMATION**

The Company is currently required to comply with, and will from Admission continue to be required to comply with, the provisions of UK MAR which relates, among other things, to the management and disclosure of inside information and share dealing/disclosures by persons discharging managerial responsibilities, persons closely associated with them, and those in possession of inside information. The Company has in place policies relating to its and its officers' and employees' compliance with UK MAR. Pursuant to these policies, the Company has established a Disclosure Committee which currently comprises the CEO, CFO and the Group's General Counsel. The Disclosure Committee is responsible, among other things, for monitoring the existence of inside information in relation to the Group and determining and complying with the Group's announcement and other regulatory obligations in relation to it. Meetings of the Disclosure Committee are attended by external advisers as required.

### **4. REMUNERATION POLICY**

The Company currently has a detailed remuneration policy in place in accordance with requirements applicable to it under the IFPR. A summary of the remuneration policy is publicly available. The Company will formally propose a new Directors' remuneration policy for approval by Shareholders at the first Annual General Meeting of the Company following Admission, in accordance with section 439A of the Companies Act and regulations set out in the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended from time to time). It is currently intended that, if approved, that policy will apply for three years from the date of that Annual General Meeting, and that it will contain provisions reflecting best practice for companies listed on the Main Market (including, for example, by introducing a formal policy for post-employment shareholding requirements in respect of the Executive Directors, requiring them to retain an interest in Ordinary Shares for a period after leaving the Board). It is intended that, from Admission until the new Shareholder-approved Directors' remuneration policy is put in place, remuneration for each Executive Director will operate in line with the Company's existing Directors' remuneration policy, described on page 94 of the 2024 Annual Report.

### **5. BOARD DIVERSITY**

On Admission, it is expected that the Board will include three (42.9 per cent) female directors, two of whom are in a senior position (the Chief Executive Officer and the Chief Financial Officer). The Board currently has no directors from an ethnic minority background.

The Board and Nomination Committee have regard to diversity, including gender and ethnicity, when considering further appointments.

### **6. TASK FORCE ON CLIMATE RELATED FINANCIAL DISCLOSURES**

The Group has reported in line with the Taskforce on Climate-Related Financial Disclosures in both the 2023 Annual Report and the 2024 Annual Report. The Group also makes Streamlined Energy and Carbon Reporting ("**SECR**") disclosures on carbon emissions, setting out its Scope 1, 2 and 3 emissions. The Group's most recent SECR disclosures are set out in the 2024 Annual Report.

## PART IX SELECTED FINANCIAL INFORMATION

The tables below set out selected consolidated financial information for the Group for each of the financial years ended 30 June 2022, 30 June 2023 and 30 June 2024 and for the six months ended 31 December 2024, in each case prepared in accordance with IFRS.

The information has been extracted without material adjustment from the information in Part XII (*Historical Financial Information*), which is incorporated into this Prospectus by reference as set out in Part XV (Documents Incorporated by Reference).

The selected financial information in the tables below should be read in conjunction with the information referred to above and in Part X (*Operating and Financial Review*), which is incorporated into this Prospectus by reference as set out in Part XV (*Documents Incorporated by Reference*), and Part XI (*Capitalisation and Indebtedness*). Investors should read the whole of this Prospectus and not rely solely on the information summarised in the tables below.

### Consolidated Income Statement

	Year ended 30 June (£m) (audited)			Six months ended 31 December (£m) (unaudited) <sup>4</sup>	
	2024	2023	2022	2024	2023
Investment management fees <sup>1</sup>	79.9	77.9	84.2	33.7	33.5
Transactional income and foreign exchange trading fees	15.3	13.3	14.7	5.9	5.9
Fund management fees	12.2	13.7	17.6	3.4	3.5
Financial planning fees	8.2	6.5	4.1	5.1	4.1
Interest income	12.7	12.4	1.6	3.8	6.3
<b>Total revenue</b>	<b>128.3</b>	<b>123.8</b>	<b>122.2</b>	<b>51.9</b>	<b>53.3</b>
Administrative expenses	(97.6)	(92.6)	(85.9)	(39.7)	(39.4)
Amortisation of client-relationship intangible assets	(5.8)	(5.7)	(5.4)	(1.7)	(1.7)
Amortisation of computer software	(1.6)	(1.2)	(1.5)	(0.9)	(0.6)
Depreciation of property, plant and equipment and right-of-use assets	(3.0)	(2.7)	(2.5)	(1.1)	(1.1)
Other gains and losses	0.1	(0.2)	-	-	-
<b>Operating profit</b>	<b>20.4</b>	<b>21.4</b>	<b>26.9</b>	<b>8.5</b>	<b>10.5</b>
Finance income	3.0	1.1	0.1	1.5	1.3
Finance costs	(0.2)	(0.3)	(0.4)	(0.1)	(0.1)
Goodwill impairment <sup>2</sup>	(11.6)	-	-	-	-
Other non-operating income	-	-	2.9	2.7	-
<b>Profit/(loss) before tax</b>	<b>11.6</b>	<b>22.2</b>	<b>29.5</b>	<b>12.6</b>	<b>11.7</b>
Taxation	(5.1)	(4.1)	(6.1)	(3.4)	(2.8)
<b>Profit for the period attributable to the equity holders of the Company</b>	<b>6.5</b>	<b>18.1</b>	<b>23.4</b>	<b>9.2</b>	<b>8.9</b>
Profit/(loss) after tax from discontinued operations				0.4	(12.3)
<b>Total comprehensive income/(expense)</b>	<b>6.5</b>	<b>18.1</b>	<b>23.4</b>	<b>9.6</b>	<b>(3.4)</b>



## Consolidated Statement of Financial Position

	As at 30 June (£m) (audited)			As at 31 December (£m) (unaudited) <sup>4</sup>	
	2024	2023	2022	2024	2023
Intangible assets	83.2	100.6	85.9	77.3	85.9
Property, plant and equipment	1.4	2.1	2.2	0.9	1.8
Right-of-use assets	3.2	4.3	5.0	2.6	4.2
Financial assets at amortised cost <sup>3</sup>	30.0	-	-	30.0	-
Financial assets at fair value through other comprehensive income	0.5	0.5	0.5	-	0.5
Deferred contingent consideration receivable	-	-	-	0.7	-
Net assets held for sale	-	-	-	28.0	-
Trade and other receivables	29.1	33.5	30.5	25.6	29.4
Financial assets at fair value through profit or loss	0.9	0.8	0.7	0.9	0.9
Cash and cash equivalents <sup>3</sup>	44.7	53.4	61.3	29.5	59.0
<b>Total assets</b>	<b>193.0</b>	<b>195.2</b>	<b>186.1</b>	<b>195.5</b>	<b>181.7</b>
Trade and other payables	(28.6)	(23.3)	(24.4)	(20.7)	(22.2)
Lease liabilities	(3.8)	(5.1)	(6.0)	(3.0)	(4.7)
Provisions	(2.0)	(1.3)	(1.2)	(1.4)	(0.9)
Corporation tax	(0.9)	(0.7)	(0.8)	(2.0)	(0.4)
Deferred contingent consideration	-	(1.5)	(0.3)	(6.2)	(0.2)
Net deferred tax liabilities	(5.4)	(6.0)	(5.0)	(5.6)	(5.6)
<b>Total liabilities</b>	<b>(40.7)</b>	<b>(37.9)</b>	<b>(37.7)</b>	<b>(38.9)</b>	<b>(34.0)</b>
<b>Net assets</b>	<b>152.3</b>	<b>157.3</b>	<b>148.4</b>	<b>156.6</b>	<b>147.7</b>
Share capital	0.2	0.2	0.2	0.2	0.2
Share premium	83.1	81.8	79.1	83.9	82.6
Other reserves	6.3	9.1	10.0	8.0	9.0
Retained earnings	62.7	66.2	59.1	64.5	55.9
<b>Total equity</b>	<b>152.3</b>	<b>157.3</b>	<b>148.4</b>	<b>156.6</b>	<b>147.7</b>

## Consolidated Statement of Cash Flows

	Year ended 30 June (£m) (audited)			Six months ended 31 December (£m) (unaudited) <sup>4</sup>	
	2024	2023	2022	2024	2023
Cash flows from operating activities					
Cash generated from operations	43.3	30.1	32.8	8.4	18.9
Corporation tax paid	(6.4)	(5.1)	(5.2)	(3.2)	(3.4)
Other exceptional income	-	-	2.9	2.7	-
<b>Net cash generated from operating activities</b>	<b>36.9</b>	<b>25.0</b>	<b>30.5</b>	<b>7.9</b>	<b>15.5</b>
Cash flows from investing activities					
Purchase of computer software	(1.7)	(3.0)	(2.9)	(3.3)	(0.7)
Purchase of property, plant and equipment	(0.1)	(0.7)	(0.3)	(0.1)	(0.1)
Investment in financial assets at amortised cost <sup>3</sup>	(30.0)	-	-	-	-
Purchase of financial assets at fair value through profit or loss	-	-	(0.2)	-	-
Consideration paid for acquisitions net of cash acquired	-	(15.1)	-	(6.2)	-
Deferred contingent consideration paid	(0.9)	(0.3)	(6.0)	-	(0.6)
Disposal of financial assets at fair value through other comprehensive income	-	-	-	0.5	-
Consideration received	-	-	-	0.5	-
Interest received	3.2	1.1	0.1	1.4	1.6
<b>Net cash used in investing activities</b>	<b>(29.5)</b>	<b>(18.0)</b>	<b>(9.3)</b>	<b>(7.2)</b>	<b>0.2</b>
Cash flows from financing activities					
Proceeds of issue of shares	0.7	1.7	0.4	0.1	0.2
Payment of lease liabilities	(2.5)	(2.3)	(1.8)	(1.3)	(1.6)
Purchase of own shares by Employee Benefit Trust	(2.2)	(2.9)	(3.1)	(0.7)	(1.2)
Dividends paid to shareholders	(12.1)	(11.4)	(10.3)	(7.9)	(7.5)
<b>Net cash used in financing activities</b>	<b>(16.1)</b>	<b>(14.9)</b>	<b>(14.8)</b>	<b>(9.8)</b>	<b>(10.1)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(8.7)</b>	<b>(7.9)</b>	<b>6.4</b>	<b>(9.1)</b>	<b>5.6</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>53.4</b>	<b>61.3</b>	<b>54.9</b>	<b>44.7</b>	<b>53.4</b>
<b>Less cash held in disposal group</b>				<b>(6.1)</b>	<b>-</b>
<b>Cash and cash equivalents at end of period</b>	<b>44.7</b>	<b>53.4</b>	<b>61.3</b>	<b>29.5</b>	<b>59.0</b>

## Notes

- For the year ended 30 June 2022, the Group restated the reported Financial planning income within International £(0.8million) to Investment management fees, to align with current reporting.
- Goodwill is reviewed for impairment indicators at each reporting period and if such indicators are present, an impairment test is carried out based on the carrying value of the asset compared to its expected recoverable amount. The review of the BMI business at 31 December 2023 indicated that the estimated recoverable amount for BMI arising from expected future cash flows was less than the carrying value of the goodwill for BMI held on the Group's consolidated statement of financial position, resulting in an impairment of £11.6m. Such goodwill had been recognised on the acquisition of BMI in 2012.
- During the financial year ended 30 June 2024, the Group placed surplus cash resources into UK Government Investment Loan and Treasury Stock (Gilts) investments, with varying maturity dates and coupon rates,

redeemable at short notice as required. These were recognised as financial assets at amortised cost of £30.0m. This resulted in a corresponding reduction in cash by the same amount.

4. In September 2024 the Company announced its intention to sell BMI. In accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', the Company has classified BMI as discontinued operations in the Group's financial results for the six months ended 31 December 2024 (and in its financial results for the six months ended 31 December 2023, presented here for comparative purposes). BMI's net assets have been classified as held for sale on its statement of financial position as at 31 December 2024. BMI has not been classified as discontinued operations and/or as held for sale in the Group's financial results for the years ended 30 June 2022, 2023 and 2024. The Company announced completion of the BMI Disposal on 24 February 2025. During the six months ended 31 December 2024 the Group disposed of its DCF fund management operations and these have also been classified as discontinued operations in the Group's financial results for the six months ended 31 December 2024 (and for the six months ended 31 December 2023).

## Non-IFRS Financial Information

The tables below present certain non-IFRS financial measures as at and for the financial years ended 30 June 2022, 30 June 2023 and 30 June 2024 and for the six months ended 31 December 2024. The Directors believe that these APMs provide useful additional information with respect to the performance of the Group's business and operations. These APMs are non-IFRS financial measures and are not audited. APMs are not meant to be considered in isolation or as a substitute for financial performance metrics of the Group reported in accordance with IFRS. Moreover, APMs may be defined or calculated differently by other companies and, as a result, may not be comparable to similar measures reported by the Group's peers.

The following table sets forth the Group's underlying profit before tax and provides a reconciliation between the Group's underlying profit before tax and its statutory total comprehensive income/(expense), in each case for the periods indicated:

	Year ended 30 June (£m)			Six months ended 31 December (£m) <sup>13</sup>	
	2024	2023	2022	2024	2023
<b>Revenue</b>	<b>128.3</b>	<b>123.8</b>	<b>122.2</b>	<b>51.9</b>	<b>53.3</b>
Fixed staff costs	(45.8)	(45.2)	(40.5)	(18.1)	(18.7)
Variable staff costs	(12.8)	(10.9)	(14.8)	(5.0)	(4.9)
<b>Total staff costs</b>	<b>(58.6)</b>	<b>(56.1)</b>	<b>(55.3)</b>	<b>(23.1)</b>	<b>(23.6)</b>
Non-staff costs	(38.5)	(38.3)	(32.1)	(14.7)	(15.1)
Net finance income/(costs)	2.9	0.9	(0.3)	1.4	1.2
<b>Total underlying costs</b>	<b>(94.2)</b>	<b>(93.5)</b>	<b>(87.7)</b>	<b>(36.4)</b>	<b>(37.5)</b>
<b>Underlying profit before tax</b>	<b>34.1</b>	<b>30.3</b>	<b>34.5</b>	<b>15.5</b>	<b>15.8</b>
Goodwill impairment <sup>1</sup>	(11.6)	-	-	-	-
Amortisation of client relationships <sup>2</sup>	(6.0)	(5.7)	(5.5)	(1.7)	(1.7)
Organisational restructure <sup>3</sup>	(3.0)	-	-	(1.1)	(2.1)
BMI strategic review <sup>4</sup>	(1.5)	-	-	-	-
Acquisition and integration-related costs <sup>5</sup>	(0.4)	(0.6)	-	(2.5)	(0.4)
AIM to Main-related costs <sup>6</sup>	-	-	-	(0.5)	-
Dual-running operating platform costs <sup>7</sup>	-	(1.6)	(2.4)	-	-
Changes in fair value and finance cost of deferred contingent consideration <sup>8</sup>	-	(0.2)	-	-	-
Other non-operating income <sup>9</sup>	-	-	2.9	2.9	0.1
<b>Total underlying adjustments</b>	<b>(22.5)</b>	<b>(8.1)</b>	<b>(5.0)</b>	<b>(2.9)</b>	<b>(4.1)</b>
<b>Statutory profit/(loss) before tax</b>	<b>11.6</b>	<b>22.2</b>	<b>29.5</b>	<b>12.6</b>	<b>11.7</b>
Taxation	(5.1)	(4.1)	(6.1)	(3.4)	(2.8)
<b>Statutory profit/(loss) after tax</b>	<b>6.5</b>	<b>18.1</b>	<b>23.4</b>	<b>9.2</b>	<b>8.9</b>
Profit/(loss) after tax from discontinued operations				<b>0.4</b>	<b>(12.3)</b>
<b>Total statutory comprehensive income/(expense)</b>	<b>6.5</b>	<b>18.1</b>	<b>23.4</b>	<b>9.6</b>	<b>(3.4)</b>

The following table includes details of further APMs of the Group as at or for the periods indicated:

	As at/for the year ended 30 June			As at/for the six months ended 31 December <sup>13</sup>	
	2024	2023	2022	2024	2023
<b>Underlying profit margin before tax<sup>10</sup></b>	<b>26.6%</b>	<b>24.5%</b>	<b>28.2%</b>	<b>29.9%</b>	<b>29.6%</b>
<b>Underlying basic earnings per share<sup>11</sup></b>	<b>163.8p</b>	<b>153.8p</b>	<b>174.1p</b>	<b>69.6p</b>	<b>73.9p</b>
<b>Underlying diluted earnings per share<sup>11</sup></b>	<b>161.0p</b>	<b>151.0p</b>	<b>168.7p</b>	<b>68.8p</b>	<b>72.7p</b>
<b>FuM<sup>12</sup></b>	<b>£18.0bn</b>	<b>£16.8bn</b>	<b>£15.7bn</b>	<b>£15.7bn</b>	<b>£15.1bn</b>

## Notes

- Goodwill is reviewed for impairment indicators at each reporting period and if such indicators are present, an impairment test is carried out based on the carrying value of the asset compared to its expected recoverable amount. The review of the BMI business at 31 December 2023 indicated that the estimated recoverable amount for BMI arising from expected future cash flows was less than the carrying value of the goodwill for BMI held on the Group's consolidated statement of financial position, resulting in an impairment of £11.6m. Such goodwill had been recognised on the acquisition of BMI in 2012. The goodwill impairment charge in respect of the BMI business has been excluded from underlying profit before tax in view of its non-recurring nature, and given it does not impact cash or regulatory capital.
- Intangible assets are created in the course of acquiring FuM and financial advice portfolios, which are amortised over their useful life. Their useful life has been assessed to range between 6 and 20 years. This amortisation charge has been excluded from the underlying profit before tax as it is a significant non-cash item.
- The Group carried out an organisational restructure in December 2023. The Group identified opportunities to streamline and remove duplication from core processes, resulting in redundancies and associated third-party consultancy costs. These have been excluded from underlying profit before tax in view of their non-recurring nature.
- The Group announced a strategic review of the BMI business on 7 March 2024. Costs incurred in respect of third-party consultancy fees have been excluded from underlying profit before tax in view of their non-recurring nature.
- Acquisition and integration-related costs represent costs incurred in respect of the acquisitions of Integrity Wealth Solutions on 31 October 2022 and Adroit Financial Planning on 15 December 2022. Acquisition-related costs incurred include stamp duty and legal fees and integration-related costs include the cost of retention-based share option awards. These have been excluded from underlying profit before tax in view of their non-recurring nature.
- Certain advisory costs have been incurred in respect of Admission. Costs incurred prior to 31 December 2024 have been excluded from underlying profit before tax in view of their non-recurring nature.
- The Group is party to an operating platform agreement with SS&C which is intended to improve the Group's adviser and client service, including the onboarding process and digital experience, as well as enhance its operating platform. Whilst transitioning to the SS&C operating platform the Group incurred net incremental costs from running two operating platforms concurrently. Duplicated costs have been excluded from underlying profit before tax in view of their non-recurring nature.
- This comprises the associated net finance costs arising on deferred contingent consideration payments from acquisitions carried out by the Group, together with their fair value measurements where applicable. These have been excluded from underlying profit before tax in view of their non-recurring nature.
- During the financial year ended 30 June 2022, the Group received confirmation from HMRC that the supply of certain services by the Group was exempt from VAT. As a result, the Group received a refund from HMRC of VAT arising on those services in respect of the period from 1 July 2017 to 30 June 2020. This has been excluded from underlying profit before tax in view of its non-recurring nature.
- Underlying profit margin before tax is calculated as underlying profit before tax over revenue. This is one of the key metrics assessed by the Board and considered appropriate for external analyst coverage and peer group benchmarking.
- Underlying basic earnings per share is calculated as underlying profit after tax divided by the weighted average number of shares in issue. The Underlying diluted earnings per share is calculated as underlying profit after tax divided by the weighted average number of shares in issue, including the dilutive impact of future share awards. They are key metrics assessed by the Board and considered appropriate for external analyst coverage and peer group benchmarking. They are also key management incentive metrics and used within the Group's remuneration schemes.
- FuM or funds under management means the total net asset value of the underlying assets held within the portfolios (both discretionary and model services) managed by the Group on behalf of its clients. Movements in FuM reflect gross new business, withdrawals and investment performance.

13. In September 2024 the Company announced its intention to sell BMI. In accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', the Company has classified BMI as discontinued operations in the Group's financial results for the six months ended 31 December 2024 (and in its financial results for the six months ended 31 December 2023, presented here for comparative purposes). BMI has not been classified as discontinued operations and/or as held for sale in the Group's financial results for the years ended 30 June 2022, 2023 and 2024. The Company announced completion of the BMI Disposal on 24 February 2025. During the six months ended 31 December 2024 the Group disposed of its DCF fund management operations and these have also been classified as discontinued operations in the Group's financial results for the six months ended 31 December 2024 (and for the six months ended 31 December 2023).

## **PART X**

### **OPERATING AND FINANCIAL REVIEW**

Some of the information referred to below or incorporated by reference into this Prospectus includes forward-looking statements that involve risks and uncertainties. The Group's actual results may differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this Prospectus, including under Part II (*Risk Factors*).

#### **1. INFORMATION INCORPORATED BY REFERENCE**

The discussion of the Group's operating and financial review included in the sections of the 2022 Annual Report, the 2023 Annual Report, the 2024 Annual Report and the 2025 HY Results referred to below are incorporated by reference into this Prospectus.

#### **2. CROSS-REFERENCE LIST**

The following list is intended to enable Shareholders to identify easily the items of information which have been incorporated by reference into this Prospectus, for the purpose of providing a review of the Group's operating and financial performance for each of the financial years ended 30 June 2022, 30 June 2023, 30 June 2024 and the six months ended 31 December 2024.

##### **2022 Annual Report**

The following pages of the 2022 Annual Report have been incorporated by reference:

- Strategic report, Chairman's statement (pages 6-7)
- Strategic report, CEO's review (pages 8-11)
- Strategic report, Marketplace (pages 14-15)
- Strategic report, Our strategy (pages 24-25)
- Strategic report, Key performance indicators (pages 26-27)
- Strategic report, Financial review (pages 28-38)
- Report of the Directors (pages 112-113)

##### **2023 Annual Report**

The following pages of the 2023 Annual Report have been incorporated by reference:

- Strategic report, Chairman's statement (pages 8-9)
- Strategic report, Marketplace (pages 10-13)
- Strategic report, Our strategy (pages 24-25)
- Strategic report, Key performance indicators (pages 26-27)
- Strategic report, CEO's review (pages 28-30)
- Strategic report, Financial review (pages 32-41)
- Report of the Directors (pages 116-117)

##### **2024 Annual Report**

The following pages of the 2024 Annual Report have been incorporated by reference:

- Strategic report, Chair's statement (pages 8-9)

- Strategic report, CEO's review (pages 10-12)
- Strategic report, Market overview (pages 13-15)
- Strategic report, Our strategy (pages 26-27)
- Strategic report, Key performance indicators (pages 28-29)
- Strategic report, Financial review (pages 30-38)
- Report of the Directors (pages 100-101)

### **2025 HY Results**

The following pages of the 2025 HY Results have been incorporated by reference:

- Interim management report (pages 1-8)

### **3. FINANCING ARRANGEMENTS**

The RCF (£15,000,000) has been made available to the Group. For a summary of the RCF, please refer to paragraph 16 (*Material Contracts*) of Part XIV (*Additional Information*). As at the Latest Practicable Date the RCF was undrawn.



## PART XI CAPITALISATION AND INDEBTEDNESS

The tables below set out the Group's total capitalisation, indebtedness and regulatory capital adequacy position as at 31 December 2024. The information has been extracted without material adjustment from the Group's unaudited condensed consolidated financial statements as at and for the six months ended 31 December 2024, which are incorporated into this Prospectus by reference as set out in Part XV (*Documents Incorporated by Reference*).

The information in the tables below should be read in conjunction with the information in Part XII (*Historical Financial Information*) and in Part X (*Operating and Financial Review*), which is incorporated into this Prospectus by reference as set out in Part XV (*Documents Incorporated by Reference*).

### Statement of Capitalisation

	As at 31 December 2024 (£m) (unaudited)
<b>Total current debt</b>	
Guaranteed	-
Secured	-
Unguaranteed/unsecured	-
<b>Total current debt</b>	-
<b>Total non-current debt</b>	
Guaranteed	-
Secured	-
Unguaranteed/unsecured	-
<b>Total non-current debt</b>	-
<b>Total indebtedness</b>	-
<b>Shareholder equity</b>	
Stated capital	0.2
Legal reserve(s)	-
Other reserves <sup>1</sup>	91.9
<b>Total capitalisation<sup>2</sup></b>	92.1

### Notes

- 1 Other reserves include share premium of £83.9 million and £8.0 million of merger reserve and share based payment reserve.
- 2 Shareholder equity excludes the Group's retained earnings of £64.5 million.

## Statement of Indebtedness

	As at 31 December 2024 (£m) (unaudited)
A. Cash <sup>1</sup>	25.6
B. Cash equivalents <sup>1, 2</sup>	10.0
C. Other current financial assets <sup>3</sup>	30.0
<b>D. Liquidity (A + B + C)</b>	<b>65.6</b>
E. Current financial debt <sup>4</sup>	(2.0)
F. Current portion of non-current financial debt	-
<b>G. Current financial indebtedness (E + F)<sup>5</sup></b>	<b>(2.0)</b>
<b>H. Net current financial indebtedness</b>	<b>63.6</b>
I. Non-current financial debt <sup>4</sup>	(1.2)
J. Debt instruments	-
K. Non-current trade and other payables <sup>6</sup>	(1.7)
<b>L. Non-current financial indebtedness (I + J + K)</b>	<b>(2.9)</b>
<b>M. Total financial indebtedness (H + L)<sup>5</sup></b>	<b>60.7</b>

### Notes

1. In accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', the Company has classified BMI as discontinued operations and net assets held for sale in the Group's unaudited condensed consolidated financial statements for the six months ended 31 December 2024. As at 31 December 2024, the Group held cash and cash equivalents of £29.5 million from continuing operations (comprising cash of £19.5 million and cash equivalents of £10.0 million), and £6.1 million from discontinued operations.
2. Cash equivalents include funds held in UK money market funds which are redeemable on demand.
3. Other current financial assets include UK Government Investment Loan and Treasury Stock (Gilts) investments.
4. Financial debt comprises lease liabilities, of which £2.0 million are classified as current and £1.2 million are classified as non-current.
5. Current financial indebtedness does not include current trade and other payables.
6. During the six months ended 31 December 2024, the Group completed the CST Wealth Management Acquisition and the Lucas Fettes Acquisition. Deferred contingent consideration of £1.7 million in relation to these acquisitions is included within non-current trade and other payables.

There has been no material change in the Group's capitalisation and indebtedness since 31 December 2024.

## Regulatory Capital Adequacy<sup>1, 3</sup>

	As at 31 December 2024 (unaudited)
Regulatory capital resources <sup>2</sup>	£69.1m

### Notes

1. The Group's regulatory capital position is derived from its Internal Capital Adequacy and Risk Assessment, which is a requirement of the IFPR. Capital adequacy and the use of regulatory capital are monitored daily by the Group's management. There have been no regulatory capital requirement breaches during the period covered by the historical financial information.
2. Comprises own funds, being total equity less the net book value of intangible assets and any deferred tax adjustment.
3. Regulatory capital adequacy position presented on a whole Group basis (i.e., including BMI)

## **PART XII**

### **HISTORICAL FINANCIAL INFORMATION**

The audited consolidated financial statements of the Group as at and for each of the financial years ended 30 June 2022, 30 June 2023 and 30 June 2024 and the unaudited condensed consolidated financial statements of the Group as at and for the six months ended 31 December 2024, as set out in the 2022 Annual Report, 2023 Annual Report, 2024 Annual Report and 2025 HY Results, respectively, are incorporated by reference into this Prospectus, as explained in Part XV (*Documents Incorporated by Reference*) of this Prospectus.

The audited consolidated financial statements of the Group contained in the 2022 Annual Report, 2023 Annual Report and 2024 Annual Report were audited by PwC and the PwC audit reports in respect of such financial statements did not contain any qualifications, modifications of opinion, disclaimers or emphases of matter.

The unaudited condensed consolidated financial statements of the Group contained in the 2025 HY Results were reviewed by PwC and the PwC review report thereon did not contain any qualifications, modifications of conclusion, disclaimers or emphases of matter.

## PART XIII

### TAX

#### 1. IMPORTANT NOTICES

The following statements relate to the UK tax treatment of the Ordinary Shares as at the Latest Practicable Date, as if Admission had occurred by that time. They are based on UK tax law and HMRC published guidance currently in force in the UK. Such law and guidance (including, without limitation, rates of tax) is, in principle, subject to change at any time, possibly with retroactive effect, and Shareholders should be aware that HMRC's published guidance may not be binding on HMRC. The following statements do not describe any future changes to UK tax law or HMRC published guidance (including any such changes which may be anticipated as at the Latest Practicable Date).

**Shareholders should note that the tax treatment of their Ordinary Shares may (and in certain cases will) change with effect from or as a result of Admission. Attention is drawn in particular to paragraphs 4 and 5 of this Part XIII (Tax).**

The information that follows is for guidance purposes only, is a summary of certain UK tax considerations only, and does not constitute tax advice. All Shareholders, and in particular any person who is in any doubt about their position, should contact their professional tax adviser immediately.

The following statements only apply to Shareholders who: (i) are resident solely in the UK for UK tax purposes (and in the case of individuals, domiciled or deemed domiciled in the UK for UK tax purposes, who are not Scottish or Welsh taxpayers, and to whom split-year treatment does not apply); (ii) are the absolute beneficial owners of their Ordinary Shares and any dividends paid in respect of those Ordinary Shares; and (iii) own Ordinary Shares as investments (other than in an individual savings account, self-invested personal pension or as carried interest) and not as securities to be realised in the course of a trade, profession or vocation.

The following statements are not exhaustive and in particular do not apply to Shareholders who: (i) are brokers, dealers, market makers, intermediaries, insurance companies, collective investment schemes, trustees of certain trusts, persons connected with clearance services or depositary receipt systems, or who have (or are deemed to have) acquired their Ordinary Shares by virtue of an office or employment, who may be subject to special rules; (ii) are subject to specific tax regimes or benefit from specific reliefs or exemptions (including pension schemes); (iii) hold their Ordinary Shares as part of hedging or commercial transactions; (iv) intend to acquire or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent of the Ordinary Shares; or (v) intend to acquire Ordinary Shares as part of tax avoidance arrangements or have acquired their Ordinary Shares other than for bona fide commercial reasons.

Shareholders who are not resident in the UK for tax purposes and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own professional tax advisers concerning their tax liabilities in connection with Ordinary Shares.

Shareholders should be aware that the legislation of any jurisdiction where they are resident or otherwise subject to taxation may have an impact on the tax consequences

of any investment in the Ordinary Shares, including in respect of any income received from the Ordinary Shares.

## **2. TAXATION OF DIVIDENDS**

### **Withholding Tax**

The Company will not be required to withhold amounts on account of UK tax at source when paying dividends in respect of Ordinary Shares.

### **Individual Shareholders - UK Income Tax**

Shareholders who are resident in the UK for taxation purposes may, depending on their circumstances, be liable to UK income tax in respect of any dividends paid by the Company.

A nil rate of income tax will apply to the first £500 of dividend income received by a UK individual Shareholder in a tax year (the "**Nil Rate Amount**"), regardless of what tax rate would otherwise apply to that dividend income. Assuming the personal allowance (£12,570 for the 2024/25 tax year) is unavailable, any dividend income received by an individual Shareholder in a tax year in excess of the Nil Rate Amount will be subject to income tax at the following dividend rates for 2024/25: 8.75 per cent for basic rate taxpayers, 33.75 per cent for higher rate taxpayers, and 39.35 per cent for additional rate taxpayers.

Dividend income that is within the dividend Nil Rate Amount counts towards an individual's basic or higher rate limits and will therefore affect the level of savings allowance to which they are entitled, and the rate of tax that is due on any dividend income in excess of the Nil Rate Amount. In calculating into which tax band any dividend income over the Nil Rate Amount falls, savings and dividend income are treated as the highest part of an individual's income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice.

### **Corporate Shareholders - UK Corporation Tax**

A UK resident corporate Shareholder that is considered to be a "small company" for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009 (a "**Small Company**") will generally not be liable to UK corporation tax (currently at a rate in the range of 19 per cent up to 25 per cent depending on total taxable profits (the actual rate will be determined by a marginal rate calculation)) on any dividends received from the Company, provided certain conditions are met (including an anti-avoidance condition).

A UK resident corporate Shareholder that is not a Small Company will be liable to UK corporation tax (currently at a rate in the range of 19 per cent up to 25 per cent depending on total taxable profits (the actual rate will be determined by a marginal rate calculation)) unless the dividend falls within one of the exempt classes set out in Part 9A. Examples of exempt classes (as defined in Chapter 3 of Part 9A of the Corporation Tax Act 2009) include dividends paid on shares that are "ordinary shares" (being shares that do not carry any present or future preferential right to dividends or to the Company's assets on its winding up) and which are not "redeemable", and dividends paid to a person holding less than 10 per cent of the issued share capital of the payer (or any class of that share capital in respect of which the distribution is made). However, the exemptions are not comprehensive and are subject to anti-avoidance rules.

### **3. CHARGEABLE GAINS**

For the purpose of UK tax on chargeable gains, the amounts paid by a Shareholder for Ordinary Shares will generally constitute the base cost of their holdings in those Ordinary Shares. A disposal or deemed disposal of Ordinary Shares by a Shareholder who is resident in the UK for tax purposes may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains, depending upon the Shareholder's circumstances and subject to any available exemption or relief.

#### **Individual Shareholders - UK Capital Gains Tax**

For an individual Shareholder within the charge to UK capital gains tax, a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain or an allowable loss for the purposes of capital gains tax. The rate of capital gains tax on a disposal of Ordinary Shares is currently 18 per cent for individuals who are subject to income tax at the basic rate (to the extent their basic rate income tax band is unused) and 24 per cent for individuals who are subject to income tax at the higher or additional rates. An individual Shareholder is entitled to realise an annual exempt amount of gains (currently £3,000 for the 2024/25 tax year) without being liable to UK capital gains tax.

#### **Corporate Shareholders - UK Corporation Tax**

For a corporate Shareholder within the charge to UK corporation tax, a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain at the rate of corporation tax applicable to that Shareholder (currently at a rate in the range of 19 per cent up to 25 per cent depending on total taxable profits (the actual rate will be determined by a marginal rate calculation)) or an allowable loss for the purposes of UK corporation tax.

### **4. STAMP DUTY AND SDRT**

The statements below are intended as a general guide to the current UK stamp duty and stamp duty reserve tax ("**SDRT**") position and apply regardless of whether the purchaser is resident in the UK for tax purposes. Special rules apply to certain categories of person, including persons connected with clearance services or depositary receipt systems, which are not summarised below.

No UK stamp duty or SDRT will generally be payable on the issue of Ordinary Shares.

Any conveyance or transfer on sale of the Ordinary Shares effected by an instrument of transfer will usually be subject to UK stamp duty at the rate of 0.5 per cent (rounded up to the nearest multiple of £5) of the amount or value of the consideration payable. An exemption from UK stamp duty is available where the amount or value of the consideration payable is £1,000 or less, and it is certificated on the instrument that the transaction does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000. A charge to SDRT at the rate of 0.5 per cent of the amount or value of the consideration paid in money or money's worth will also arise in relation to any unconditional agreement to transfer the Ordinary Shares. However, if within six years of the date of the agreement (or, if the agreement was conditional, the date on which the agreement became unconditional) an instrument of transfer is executed pursuant to the agreement and is duly stamped (unless it is exempt), the stamping of the instrument of transfer will normally cancel the SDRT liability and, provided a claim for repayment is made, any SDRT already paid should be refunded.

Paperless transfers of Ordinary Shares within CREST will generally be liable to SDRT, rather than UK stamp duty, at the rate of 0.5 per cent of the amount or value of the consideration paid. In the case of transfers in CREST, SDRT will normally be collected by

Euroclear through CREST in accordance with the CREST Rules and Euroclear will normally account for the SDRT to HMRC. Deposits of Ordinary Shares into CREST will generally not be subject to SDRT, unless the transfer into CREST is itself for consideration.

In cases where the Ordinary Shares are transferred to a connected company (or its nominee) of the person making the transfer, UK stamp duty or SDRT may be chargeable on the higher of: (i) the amount or value of the consideration; and (ii) the market value of the Ordinary Shares.

**As the Ordinary Shares are, prior to Admission, admitted to trading on AIM, which is a "recognised growth market" (as construed in accordance with section 99A of the Finance Act 1986), transfers of the Ordinary Shares are, prior to Admission, generally exempt from UK stamp duty or SDRT. However, following Admission, as the Main Market is not a "recognised growth market", transfers of the Ordinary Shares will generally be subject to UK stamp duty or SDRT, as outlined above.**

## **5. INHERITANCE TAX**

The Ordinary Shares will be assets situated in the UK for the purpose of UK inheritance tax. A gift of such assets by, or the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax, even if the holder is neither domiciled in the UK, nor deemed to be domiciled in the UK, nor treated as a long-term resident in the UK from 6 April 2025 (under certain rules relating to long residence or previous domicile). Generally, UK inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven full years prior to the death of the donor. For UK inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Special rules also apply to close companies and to trustees of settlements who hold Ordinary Shares bringing them within the charge of UK inheritance tax. Holders of Ordinary Shares should consult an appropriate professional adviser if they make a gift of any kind or intend to hold any Ordinary Shares through such a company or trust arrangement. They should also seek professional advice in a situation where there is potential for a double charge to UK inheritance tax and an equivalent tax in another country or if they are in any doubt about their UK inheritance tax position.

**Following Admission, the Ordinary Shares are not expected to benefit from certain UK inheritance tax reliefs and exemptions that may be applicable to shares traded on AIM. Individuals and trustees who may be subject to UK inheritance tax in relation to Ordinary Shares who are concerned about the potential impact of UK inheritance tax should consult their own professional tax adviser. This Prospectus is not a substitute for independent tax advice and does not purport to provide tax advice.**

## PART XIV ADDITIONAL INFORMATION

### 1. RESPONSIBILITY STATEMENT

The Directors, whose names appear in Part IV (*Directors, Secretary, Registered and Head Office and Advisers*) of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

### 2. THE COMPANY

The Company was incorporated and registered in England and Wales on 22 March 2002 under the Companies Act 1985 with registered number 04402058, as a private company limited by shares, with the name Brooks Macdonald Group Limited. On 17 February 2005 the Company was re-registered as a public company and changed its name to Brooks Macdonald Group plc.

The Company acts as the ultimate holding company of the Group. The principal legislation under which the Company operates is the Companies Act and regulations made thereunder. The Company is currently subject to the AIM Rules, the UK Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules and UK MAR. From Admission, the Company will be subject to the UKLR, the UK Prospectus Regulation, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules, UK MAR and the rules of the London Stock Exchange.

The Company is domiciled in England and Wales with its registered and head office at 21 Lombard Street, London EC3V 9AH. The registrar of the Company is MUFG Corporate Markets. The Company's LEI is 213800WRDF8LB8MIEX37. The telephone number of the Company is +44(0)207 499 6424 and its website is <https://www.brooksmacdonald.com>. The information on the Company's website does not form part of this Prospectus.

### 3. SHARE CAPITAL OF THE COMPANY

#### Issued share capital of the Company

As at the Latest Practicable Date there were 16,437,539 Ordinary Shares in issue.

The ISIN of the Ordinary Shares is GB00B067N833 and their SEDOL number is B067N83. Following Admission the Ordinary Shares will continue to trade under the ticker code BRK.

#### History of the Company's share capital

As at 30 June 2021, the Company's share capital comprised:

Share class	Nominal value	Number of shares issued	Aggregate nominal value
Ordinary Shares	£0.01	16,181,138	£161,811.38

Between 30 June 2021 and 30 June 2022 the Company issued 24,404 Ordinary Shares as a result of the exercise of options under the Share Plans.



As at 30 June 2022, the Company's share capital comprised:

Share class	Nominal value	Number of shares issued	Aggregate nominal value
Ordinary Shares	£0.01	16,205,542	£162,055.42

Between 30 June 2022 and 30 June 2023 the Company issued 194,121 Ordinary Shares as a result of the exercise of options under the Share Plans and as partial consideration for the Group's acquisition of Integrity Wealth Solutions Limited.

As at 30 June 2023 the Company's share capital comprised:

Share class	Nominal value	Number of shares issued	Aggregate nominal value
Ordinary Shares	£0.01	16,399,663	£163,996.63

Between 30 June 2023 and 30 June 2024 the Company issued 72,790 Ordinary Shares as a result of the exercise of options under the Share Plans and as partial consideration for the Group's acquisition of Integrity Wealth Solutions Limited.

As at 30 June 2024 the Company's share capital comprised:

Share class	Nominal value	Number of shares issued	Aggregate nominal value
Ordinary Shares	£0.01	16,472,453	£164,724.53

Between 30 June 2024 and 31 December 2024 the Company issued 48,086 Ordinary Shares as a result of the exercise of options under the Share Plans, as partial consideration for the CST Wealth Management Acquisition and as partial consideration for the Lucas Fettes Acquisition.

As at 31 December 2024 the Company's share capital comprised:

Share class	Nominal value	Number of shares issued	Aggregate nominal value
Ordinary Shares	£0.01	16,520,539	£165,205.39

Other than pursuant to the Share Plans, the Company has not granted any options over its share capital which remain outstanding and has not agreed, conditionally or unconditionally, to grant any such options. The Company has not issued any convertible securities, exchangeable securities or securities with warrants.

#### **4. INFORMATION ABOUT THE ORDINARY SHARES**

##### **Description and type of securities**

The Ordinary Shares are fully paid ordinary shares with a nominal value of £0.01 each. The Company has one class of ordinary shares, comprising the entire issued share capital of the Company.

The Ordinary Shares are credited as fully paid and free from all liens, equities, charges, encumbrances and other interests. The Ordinary Shares rank pari passu for dividends and distributions on Ordinary Shares of the Company declared, made or paid after their issue.

##### **Legislation under which the Ordinary Shares were created**

The Ordinary Shares have been created under the Companies Act 1985 and the Companies Act.

### **Share capital confirmations**

As at the Latest Practicable Date, and save as otherwise disclosed in this Prospectus:

- a) the Ordinary Shares are fully paid and no share or loan capital is proposed to be issued partly paid, either for cash or for a consideration other than cash;
- b) no commission, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital;
- c) no share or loan capital of the Company is under option or agreed, conditionally or unconditionally, to be put under option; and

the Company held no treasury shares (as defined in the Companies Act).

### **Listing**

The Ordinary Shares are (as at the date of this Prospectus) admitted to trading on AIM.

An application has been made to the FCA for the Ordinary Shares to be admitted to listing on the Equity Shares (Commercial Companies) Category of the Official List and to the London Stock Exchange for such Ordinary Shares to be admitted to trading on the Main Market. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence on the Main Market by no later than 8:00 a.m. on 28 March 2025.

No application has been made for admission of the Ordinary Shares to trading on any other stock exchange (nor is it the current intention of the Company to make any such application).

### **Form and currency of the Ordinary Shares**

The Ordinary Shares are in registered form and are capable of being held in certificated and uncertificated form. The Registrar of the Company is MUFG Corporate Markets.

Title to certificated Ordinary Shares is evidenced by entry in the register of members of the Company and title to uncertificated Ordinary Shares is evidenced by entry in the operator register maintained by MUFG Corporate Markets (which will form part of the register of members of the Company).

No share certificates are issued in respect of Ordinary Shares in uncertificated form. No temporary documents of title have been or will be issued in respect of the Ordinary Shares.

The Ordinary Shares are denominated in pounds sterling and will be quoted in pounds sterling on the London Stock Exchange.

### **Rights attached to the Ordinary Shares**

The Ordinary Shares rank equally for voting purposes. On a show of hands each holder of an Ordinary Share has one vote and on a poll each Shareholder has one vote per Ordinary Share held.

The Ordinary Shares are freely transferable and there are no restrictions on transfer in the United Kingdom, other than certain transfer restrictions under the Companies Act for persons failing to respond to statutory notices issued by the Company requiring information about interests in its Ordinary Shares.

### **Authorisations relating to the share capital of the Company**

The following resolutions were passed by Shareholders at the Annual General Meeting of the Company held on 24 October 2024:

- a) That, in substitution for all subsisting authorities, the Directors be generally and unconditionally authorised pursuant to section 551 of the Companies Act to exercise all powers of the Company to allot any Ordinary Shares and to grant rights to subscribe for, or to convert any security into, Ordinary Shares ("**Relevant Securities**") up to an aggregate maximum nominal amount of £54,916, such authority to expire on the date falling fifteen months after the passing of this resolution or, if earlier, at the conclusion of the Company's 2025 AGM (or any adjournment thereof) save that the Company may, before the expiry of the power conferred by this resolution, make any offer of agreement which would or might require Relevant Securities to be allotted or treasury shares to be sold after such expiry and the Directors may allot Relevant Securities pursuant to any such offer or agreement as if the power hereby conferred had not expired.
- b) That, if the resolution described in paragraph a) above is passed, the Board be authorised to allot equity securities (as defined in the Companies Act) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act did not apply to any such allotment or sale, such authority to be limited to:
  - i) the allotment of equity securities and sale of treasury shares for cash in connection with an offer or issue of or invitation to apply for equity securities (including, without limitation, a fully pre-emptive offer) to holders of equity securities in proportion (or as nearly as practicable) to the respective numbers of ordinary shares held by them or, in the case of other equity securities, in proportion to the number of ordinary shares into which they would convert, or such other basis of allocation as the Directors consider to be fair and reasonable, but subject to such exclusions or other arrangements as the Directors may deem necessary or desirable to deal with fractional entitlements, treasury shares, record dates or any legal, regulatory or practical problems under the laws of any territory or the requirements of any regulatory authority or stock exchange in any territory or otherwise; and
  - ii) the allotment of equity securities or sale of treasury shares (otherwise than under paragraph a) above) up to a nominal amount of £16,474; and
  - iii) the allotment of equity securities or sale of treasury shares (otherwise than under paragraph b)i) or paragraph b)ii) above) up to a nominal amount equal to 20 per cent of any allotment of equity securities or sale of treasury shares from time to time under paragraph b)ii) above, such authority to be used only for the purposes of making a follow-on offer which the Board of the Company determines to be of a kind contemplated by paragraph 3 of Part 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice.

Such authorities shall expire on the date falling fifteen months after the passing of this resolution or, if earlier, at the conclusion of the Company's 2025 Annual General Meeting but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

- c) That if the resolution described at paragraph a) is passed, the Board be authorised in addition to any authority granted under the resolution described at paragraph b) to allot equity securities (as defined in the Companies Act) for cash under the

authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act did not apply to any such allotment or sale, such authority to be limited to:

- i) the allotment of equity securities or sale of treasury shares up to a nominal amount of £16,474 such authority to be used only for the purposes of financing (or refinancing, if the authority is to be used within 12 months after the original transaction) a transaction which the Board of the Company determines to be either an acquisition or a specified capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice; and
- ii) the allotment of equity securities or sale of treasury shares (otherwise than under paragraph c)i) above) up to a nominal amount equal to 20 per cent of any allotment of equity securities or sale of treasury shares from time to time under paragraph c)i) above, such authority to be used only for the purposes of making a follow-on offer which the Board of the Company determines to be of a kind contemplated by paragraph 3 of Part 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice.

Such authorities shall expire on the date falling fifteen months after the passing of this resolution or, if earlier, at the conclusion of the Company's 2025 Annual General Meeting but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

- d) That the Company is hereby generally and unconditionally authorised for the purposes of section 701 of the Companies Act to make market purchases (within the meaning of section 693(4) of the Companies Act) of the ordinary shares of 1 penny each in the capital of the Company on such terms and in such manner as the Directors may from time to time determine, and where such shares are held as treasury shares the Company may use them for the purposes of its employee share schemes, provided that:
  - i) the maximum number of ordinary shares hereby authorised to be purchased is 823,747;
  - ii) the maximum price which may be paid for each ordinary share shall be 5 per cent above the average of the middle market quotations for an ordinary share (as derived from The Stock Exchange Daily Official List) for the five business days immediately before the day on which the purchase is made (in each case exclusive of expenses); and
  - iii) the minimum price which may be paid for each ordinary share shall be 1 penny.

The authority conferred (unless previously revoked, varied or renewed) shall expire on the date which is fifteen months after the passing of this resolution or, if sooner, the conclusion of the next Annual General Meeting of the Company, except in relation to the purchase of ordinary shares the contract for which was concluded before such date and which will or may be executed wholly or partly after such date.

## 5. INTERESTS OF MAJOR SHAREHOLDERS

As at the Latest Practicable Date and insofar as it is known to the Company, the following Shareholders are directly or indirectly interested in 3 per cent (being the threshold for notification of voting rights pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules) or more of the voting rights of the Company:

Shareholder	Number of Ordinary Shares	Percentage of total voting rights
Gresham House plc	3,278,602	19.95
Liontrust Asset Management	3,021,620	18.38
Aberforth Partners	1,043,030	6.35
Brooks Macdonald Asset Management Limited	992,766	6.04
Jupiter Fund Management	938,000	5.71
Artemis Investment Management	754,483	4.59
Canaccord Genuity Group Inc.	751,545	4.57
Invesco	742,778	4.52
Chelverton Asset Management	618,471	3.76

Save as disclosed above, in so far as it is known to the Directors, there is no other person who is or will be immediately following Admission, directly or indirectly interested in 3 per cent or more of the voting rights of the Company, or of any other person who can, will or could, directly or indirectly, jointly or severally, exercise control over the Company.

None of the Shareholders referred to in this section 5 (*Interests of Major Shareholders*) have different voting rights from any other Shareholder in respect of the Ordinary Shares held by them.

## 6. ARTICLES OF ASSOCIATION

A summary of the provisions of the Articles of Association is set out below.

### Redemption

The Company may (subject to certain limitations) issue redeemable shares or purchase its own shares (including any redeemable shares).

### Variations of share rights

Subject to the provisions of the Companies Act, the rights attached to any class of shares may be modified, abrogated or varied in such manner (if any) as may be provided by those rights, or with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class.

The rights attached to any class of shares shall not (unless otherwise provided) be deemed to be varied by an issue of shares which do not rank in priority to such class of shares or by the purchase or redemption by the Company of any of its shares.

A resolution to sub-divide shares may determine that, as between the holders of such shares resulting from the sub-division, any of them may have any preference or advantage, or deferred or other right, or be subject to any restriction as compared with the others.

### Share certificates

Every member shall be entitled to one certificate for all the shares registered in their name, or a separate certificate for each class of shares so registered.

These certificates shall be issued free of charge, and new certificates shall also be issued without payment (other than exception out-of-pocket expenses) to replace any certificate which is defaced, worn out, lost or destroyed.

### **Uncertificated Shares**

The Directors may (subject to certain restrictions) arrange for any class of share to become a participating security for the purposes of the Uncertificated Securities Regulations 2001. Shares of that class may then be issued by the Company in uncertificated form.

### **Transfers of shares**

All transfers of shares in certificated form may be in writing in the usual form or any other form approved by the Directors. The instrument of transfer must be signed by or on behalf of the transferor and, if the shares being transferred are not fully paid, by or on behalf of the transferee.

Subject to the Companies Act and the Articles of Association, members may transfer uncertificated shares by means of the relevant system or in any other manner which is permitted by the Companies Act.

### **Registration of transfers of shares**

The Directors can decline to register any transfer of any share which is not a fully paid share (provided that, for shares admitted to trading on any recognised investment exchange, such refusal does not prevent dealings taking place on an open and proper basis).

The Directors may also decline to register a transfer of a certificated share unless the instrument of transfer:

- a) is duly stamped or certified or otherwise shown to the satisfaction of the Directors to be exempt from stamp duty and is accompanied by the relevant share certificate and such other evidence of the right to transfer as the Directors may reasonably require;
- b) is in respect of only one class of share; and
- c) if to joint transferees, is in favour of not more than four such transferees.

Registration of a transfer of an uncertificated share may be declined in the circumstances set out in the Uncertificated Securities Regulations 2001. Upon refusal of transfer, the Directors shall send to the transferee such notice of refusal within two months of:

- a) for certificated shares, the date such transfer was lodged; and
- b) for uncertificated shares, the date the Company received instruction of such transfer.

### **Voting**

A poll may be directed by the Chair or demanded by, inter alia, at least three members present in person or by proxy and entitled to vote or one or more members representing not less than one-tenth of the total voting rights of all members having the right to vote at such meeting.

In all other cases, votes shall be taken on a show of hands and, subject to disenfranchisement in the event of: (i) non-payment of calls or other money due and payable in respect of such shares; or (ii) non-compliance with a statutory notice requiring disclosure as to beneficial ownership and to any special terms as to voting upon which

any shares may for the time being be held, every member present in person or (in the case of a corporate member) by representative shall have one vote.

If a vote is taken by poll, every member present in person or by proxy shall have one vote for every share held by them.

In the case of an equality of votes, the Chair shall have a casting vote in addition to any other vote they may have.

Any corporation which is a member may authorise a person to act as its representative at meetings and to exercise any powers that the corporation would exercise if it were an individual member.

Any person may be appointed to act as proxy and need not be a member. The instrument appointing a proxy must be deposited not less than 48 hours before the time of the meeting in question.

### **Directors**

Unless and until the Company in general meeting shall otherwise determine, the number of Directors shall not be less than two nor more than twelve.

The aggregate fees of the Directors for their services in the office of director shall not exceed £1,000,000 per annum but the Directors may be paid such further sums by way of additional fees as may from time to time be determined by the Company in general meeting, and any such additional remuneration shall be divided among the Directors as they shall agree or, in default of agreement, equally. The Directors are entitled to be paid all reasonable expenses incurred in attending meetings of the Directors or general meetings or otherwise in connection with the business of the Company.

Any Director who is appointed to any executive office or who serves on any committee or who otherwise performs services which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director may be paid, in addition to any remuneration to which they may be entitled (as referred to above) such remuneration (whether by way of salary, percentage of profits or otherwise) as the Directors may determine.

### **Vacation of Office of Directors**

The circumstances in which a Director shall be vacated from office include, inter alia, if they become bankrupt or insolvent, if they are convicted of an indictable offence, if they are removed from office under section 168 of the Companies Act or if they resign from their office in writing.

### **Rotation of Directors**

At each Annual General Meeting, one third (or the number nearest to one third) of the Directors shall retire from office by rotation together with any additional Directors whose resignation is required in order to ensure that each Director offers themselves for re-election at least every three years. The Directors to retire in each year shall be those who have been longest in office since their last election.

The Company may from time to time by ordinary resolution appoint any person to be a Director of the Company, provided the maximum number of twelve is not exceeded. The Directors may also from time to time appoint any person to be a Director of the Company, provided the maximum number of twelve is not exceeded, but any Director so appointed shall hold office only until the next Annual General Meeting when they shall retire, but shall be eligible for re-election, and any Director who retires under this provision shall

not be taken into account in determining the number of Directors who are to retire by rotation at that meeting.

### **Proceedings of Directors**

Subject to certain exceptions, if a Director has a personal interest in any matter, otherwise than by virtue of his interest in any securities in the Company, they shall not count in the quorum and may not vote on that matter.

### **Borrowing Powers**

Subject as provided below, the Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge all or any part of its undertaking, property and uncalled capital and to issue debentures and other securities whether outright or as security (principal or collateral) for any debt, liability or obligation of the Company or any third party.

The Directors shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiaries (if any) so as to secure (as regards the subsidiaries only in so far as by the exercise of such rights or powers of control the Directors can secure) that the aggregate amount owing by members of the Group in respect of moneys borrowed by them or any of them (exclusive of moneys owing by one member of the Group to another) shall not at any time without the previous sanction of the Company by ordinary resolution exceed an amount equal to 2.5 times the aggregate of: (i) the amount paid up or credited as paid upon the share capital of the Company; and (ii) the amounts standing to the credit of the reserves of the Company and the subsidiaries after certain adjustments as more particularly set out in the Articles of Association.

### **Dividends**

Subject to the Companies Act and to any special rights attached to any shares issued by the Company in the future, the Shareholders are entitled *pari passu* among themselves, but in the proportion to the amounts paid up on the shares held by them, to share in the whole of the profits of the Company paid out as dividends.

The Directors shall decide whether or not a dividend shall be paid to members and in accordance with the Companies Act may only recommend payment of a dividend if there are profits available for distribution. They shall propose the amount of dividend they consider appropriate in general meeting, and the members shall then declare a dividend of that amount or less. The Directors may also pay interim dividends to the members.

There is no fixed date on which an entitlement to a dividend arises.

Any dividend which remains unclaimed after 12 years from the date of declaration of such dividend, or from the date such dividend becomes due for payment, shall be forfeited and shall revert to the Company.

A general meeting declaring a dividend may, if the Directors so recommend, direct that such dividend shall be satisfied in whole or in part by the distribution of assets.

### **Pre-emption rights**

The allotment and issue of shares in the capital of the Company is subject to the pre-emption rights provided for in the Companies Act. Under the Companies Act, subject to certain statutory exceptions, a company proposing to allot equity securities (which includes the grant of rights to subscribe for shares) must first offer them on the same or more favourable terms to each holder of shares *pro rata* to their existing shareholding. The statutory pre-emption right also applies to a sale of shares that immediately before



the sale were held by the Company as treasury shares. The Companies Act allows this statutory pre-emption right to be disapplied by special resolution so that the Directors may allot shares as if the pre-emption provisions did not apply, either in relation to a general authority to allot shares or in relation to specified allotment of equity securities. The authorities referred to in paragraph 4 of this Part XIV (*Additional Information*) above were approved by special resolution at the Annual General Meeting of the Company held on 24 October 2024 and remain in force at the date of this Prospectus.

The statutory pre-emption regime does not apply to the allotment or transfer of shares under an employees' share scheme, the allotment of bonus shares, or an allotment of equity securities that are paid up wholly or partly otherwise than in cash.

### **Winding up**

On a winding up of the Company, the assets remaining after payment of the debts and liabilities of the Company and the costs of liquidation shall be applied in repaying to members the amounts paid up on their shares and the balance (if any) shall be distributed among such members in proportion to the numbers of shares held by them, subject to the rights of the holders of any shares issued on special conditions.

## **7. FRUSTRATING ACTIONS, MANDATORY BIDS AND COMPULSORY ACQUISITION**

Other than as provided by the Takeover Code and Chapter 28 of the Companies Act, there are no rules or provisions relating to frustrating actions, mandatory bids and/or squeeze-out and sell-out rules relating to the Company.

### **Frustrating Action**

Rule 21.1 of the Takeover Code prohibits any frustrating actions taken by the Board during the course of an offer period, or when an offer is in contemplation, without the consent of Brooks Macdonald Shareholders (except in certain limited circumstances set out in the Takeover Code).

### **Mandatory bids**

Under Rule 9 of the Takeover Code, any person who acquires an interest in shares which, taken together with shares in which that person or any person acting in concert with that person is interested, carry 30 per cent or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make an offer to all of the remaining shareholders to acquire the shares.

Similarly, when any person, together with persons acting in concert with that person, is interested in shares which in the aggregate carry not less than 30 per cent of the voting rights of such a company but does not hold shares carrying more than 50 per cent of the voting rights of the company, an offer will normally be required if such person or any person acting in concert with that person acquires a further interest in shares which increases the percentage of shares carrying voting rights in which that person is interested.

An offer under Rule 9 must be made in cash at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in shares of the target company during the 12 months prior to the announcement of the offer.

When a company redeems or purchases its own voting shares, under Rule 37 of the Takeover Code any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purpose of Rule 9 of the Takeover Code. Rule 37 of the Takeover Code provides that, subject to prior consultation, the Takeover Panel will normally waive any

resulting obligation to make a general offer if there is a vote of independent shareholders and a procedure along the lines set out in Appendix 1 to the Takeover Code is followed. Appendix 1 to the Takeover Code sets out the procedure which should be followed in obtaining consent from independent shareholders. Under Note 1 to Rule 37 of the Takeover Code, a person who comes to exceed the limits in Rule 9 in consequence of a company's redemption or purchase of its own shares will not normally incur an obligation to make a mandatory offer unless that person is a director, or the relationship of the person with any one or more of the directors is such that the person is, or is presumed to be, a concert party of any of the directors. However, there is no presumption that all the directors (or any two or more directors) are concert parties solely by reason of a proposed redemption or purchase by a company of its own shares, or the decision to seek shareholders' authority for any such redemption or purchase.

Under Note 2 to Rule 37 of the Takeover Code, the exception in Note 1 to Rule 37 described above will not apply, and an obligation to make a mandatory offer may therefore be imposed, if a person (or any relevant member of a group of persons acting in concert) has acquired an interest in shares at a time when they had reason to believe that such a redemption or purchase of their own shares by the company would take place. Note 2 generally will not be relevant unless the relevant person knows that a redemption or purchase for which requisite shareholder authority exists is being, or is likely to be, implemented (whether in whole or in part).

The Takeover Panel must be consulted in advance in any case where Rule 9 of the Takeover Code might be relevant. This will include any case where a person or group of persons acting in concert is interested in shares carrying 30 per cent or more but do not hold shares carrying more than 50 per cent of the voting rights of a company, or may become interested in 30 per cent or more on full implementation of the proposed purchase by the company of its own shares. In addition, the Takeover Panel should always be consulted if the aggregate interests in shares of the directors and any other persons acting in concert, or presumed to be acting in concert, with any of the directors amount to 30 per cent or more, or may be increased to 30 per cent or more on full implementation of the proposed purchase by a company of its own shares.

"Interests in shares" is defined broadly in the Takeover Code. A person who has long economic exposure, whether absolute or conditional, to changes in the price of shares will be treated as interested in those shares. A person who only has a short position in shares will not be treated as interested in those shares.

"Voting rights" for these purposes means all the voting rights attributable to the share capital of a company which are then exercisable at a general meeting. Persons acting in concert (and concert parties) comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for a company. Certain categories of people are deemed under the Takeover Code to be acting in concert with each other unless the contrary is established.

### **Compulsory acquisition rules**

Under sections 974 to 991 of the Companies Act, if an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent of the shares (in value and by voting rights) to which such offer relates it may then compulsorily acquire the outstanding shares not assented to the offer. It would do so by sending a notice to outstanding holders of shares telling them that it will compulsorily acquire their shares and then, six weeks later, it would execute a transfer of the outstanding shares in its favour and pay the consideration to the target company, which would hold the

consideration on trust for the outstanding holders of shares. The consideration offered to the holders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

In addition, pursuant to section 983 of the Companies Act, if an offeror acquires or agrees to acquire not less than 90 per cent of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his shares on the same terms as the takeover offer.

The offeror would be required to give any holder of shares notice of his right to be bought out within one month of that right arising. Sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises his or her rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

## 8. OTHER DIRECTORSHIPS AND PARTNERSHIPS HELD BY THE DIRECTORS

The details of those companies and partnerships outside the Group of which the Directors are currently directors or partners, or have been directors or partners at any time during the five years prior to the publication of this Prospectus, are as follows:

Name	Current directorships and partnerships	Past directorships and partnerships
Maarten Slendebroek	The Law Debenture Corporation plc Mintus Group Limited Mintus Trading Limited Robeco Holding B.V Robeco Institutional Asset Management B.V The Orchestra of The Age of Enlightenment Trust 32 Fitzjohns Avenue Limited	Mintus Prometa A Limited
Andrea Montague	-	Aviva Central Services UK Limited Aviva International Holdings Limited Friends Life Holdings Limited General Accident plc Aviva Europe UK Societas RL Finance Bonds No. 2 plc RL Finance Bonds No. 3 plc RL Finance Bonds No.4 plc Royal London Asset Management Limited Tomorrow's People Trust Limited
Katherine Jones	Metropolitan Police Friendly Society Limited	Pearl Assurance Group Holdings Limited Pearl Group Services Limited IH (Jersey) Limited Impala Loan Company 1 Limited Pearl Group Holdings (No. 2) Limited PGH CA Limited Phoenix Group Management Services Limited Phoenix Group Management Services Limited (Ireland Branch) Phoenix Life Assurance Europe Designated Activity Company (DAC)

		Pearl Life Holdings Limited Phoenix SCP Limited ReAssure Companies Services Limited ReAssure Midco Limited ReAssure UK Services Limited SLFC Services Company (UK) Limited Standard Life International Designated Activity Company (DAC) Scottish Mutual Assurance Limited Standard Life Assets and Employee Services Limited Standard Life Mortgages Limited Phoenix Wealth Holdings Limited Standard Life Lifetime Mortgages Limited Prudential (US Holdco 1) Limited Prudential Africa Holdings Limited Prudential Services Limited
Robert Burgess	Invest and Fund Limited Oaknorth Bank plc Sevenoaks Preparatory School Limited	Avion Premier Ltd
Dagmar Kershaw	Blackden Estates Limited Nomadic Advisors Limited Nomadic Marine Limited Royal London Asset Management Limited Royal London Asset Management Holdings Limited Scotiabank (Ireland) Designated Activity Company Volta Finance Limited The Laurus Trust	Abrdn Smaller Companies Income Trust Plc By Colony Holdings Limited Highgrove Alderley Edge (Management Company) Ltd
John Linwood	National Energy System Operator Limited Intercede Group plc Seraphina 22 Limited Seymour Grange (Thames Ditton) Management Company Limited	-
James Rawlingson	Citibank UK Wilton Park	Novai Ltd Next Gen PPE Limited

Save as set out above, none of the Directors has any business interests, or performs any activities, outside the Group which are significant with respect to the Group.

Save as disclosed below, as at the date of this Prospectus no Director has during the last five years:

- (a) been convicted in relation to fraudulent offences;
- (b) been declared bankrupt or been a director or member of the administrative, management or supervisory body of a company or a senior manager of a company which has been the subject of any receivership or liquidation, or has been put into administration; or
- (c) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including designated professional bodies); or

- (d) been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

On 24 April 2015, Andrea Montague was appointed as a director of Tomorrow's People Trust Limited, an employment charity working in deprived communities and schools around the UK to help long-term unemployed people break the cycle of unemployment and welfare dependency. On 8 March 2018, the company entered administration as a result of declining receipts. On 20 August 2019, the company's creditors approved the terms of a company voluntary arrangement, which was implemented on 17 June 2021. The company was dissolved by way of voluntary strike-off on 18 January 2022.

There are no family relationships between any of the Directors.

## 9. DIRECTORS' INTERESTS

Save in respect of options and awards over Ordinary Shares held by the Directors, the interests (all of which are beneficial unless otherwise stated) of the Directors in the Ordinary Shares of the Company as at the Latest Practicable Date are set out in the following table. Such interests are not expected to change prior to Admission.

Director	Number of Ordinary Shares	Percentage of total voting rights
Maarten Slendebroek	1,375	0.008
Andrea Montague	8,000	0.049
Katherine Jones	4,455	0.027
Robert Burgess	3,044	0.019
Dagmar Kershaw	840	0.005
John Linwood	300	0.002
James Rawlingson	500	0.003

Details of options and awards over Ordinary Shares granted pursuant to the Share Plans which are held by the Directors as at the Latest Practicable Date are as follows:

### ***Long-Term Incentive Award Scheme***

Director	Date of grant	Number of Ordinary Shares under option	Vesting date
Andrea Montague	23/10/2023	42,748	23/10/2026
	21/10/2024	52,303	21/10/2027
Katherine Jones	27/02/2025	52,540	21/10/2027

### ***Deferred Bonus Plan Scheme***

Director	Date of grant	Number of Ordinary Shares under option	Vesting date
Andrea Montague	30/09/2024	2,467	30/09/2025
	30/09/2024	2,467	30/09/2026
	30/09/2024	2,468	30/09/2027
Katherine Jones	-	-	-

Save as disclosed above, immediately following Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company or any of its subsidiary undertakings.

There are no potential conflicts of interest between any duties owed by the Directors to the Company and their private interests and/or other duties.

## **10. EXECUTIVE DIRECTORS' SERVICE CONTRACTS**

### **Andrea Montague (Chief Executive Officer)**

Andrea Montague entered into a service agreement with BMAM dated 14 June 2023, as amended by an Addendum to Contract of Employment on 1 October 2024. Her employment commenced on 1 August 2023. Her basic salary is £460,000 per annum. She may be awarded a bonus at BMAM's discretion. Andrea's service agreement does not provide for specific benefits, save for the right to receive an interest free season ticket loan to be deducted in 12 equal monthly installments from her basic salary, but states that the Company will provide her with certain unspecified benefits from time to time. Andrea's additional benefits include income protection insurance, private medical insurance, an annual medical assessment, life assurance cover and critical illness cover. BMAM will maintain directors' and officers' insurance for the duration of Andrea's employment and for a period of not less than six calendar years following termination of her employment. Andrea is enrolled in a pension scheme and her pension contribution rate is 6 per cent of her basic salary. Andrea's service agreement is terminable on 52 weeks' prior written notice by either BMAM or Andrea (provided that BMAM retains the discretion to make a payment in lieu of such notice). BMAM reserves the right to place Andrea Montague on garden leave during her notice period. The service agreement does not provide for any contractual benefits to be payable to Andrea in the event of termination of her service agreement. Andrea is entitled to 30 working days' annual holiday per annum in addition to public holidays. Andrea is subject to a 6 month non-compete and a 12 month non-poach, non-solicit, non-deal and non-engagement of clients, prospective clients, restricted employees and restricted intermediaries.

### **Katherine Jones (Chief Financial Officer)**

Katherine Jones entered into a service agreement with BMAM dated 1 November 2024 with her employment commencing on the same day. Her basic salary is £375,000 per annum. She may receive discretionary variable pay incentives partly determined by performance against both financial and non-financial performance targets. Katherine's service agreement does not provide for specific benefits, save for the right to receive an interest free season ticket loan to be deducted in 12 equal monthly instalments from her basic salary, but states that BMAM will provide her with certain unspecified benefits from time to time. Katherine's additional benefits include income protection insurance, private medical insurance, an annual medical assessment, life assurance cover and critical illness cover. BMAM will maintain directors' and officers' insurance for the duration of Katherine's employment and for a period of not less than six calendar years following termination of her employment. Katherine is enrolled in a pension scheme and her pension contribution rate is 6 per cent of her basic salary. Katherine's service agreement is terminable on 52 weeks' prior written notice by either BMAM or Katherine (provided that BMAM retains the discretion to make a payment in lieu of such notice, and notice or payment need not be given in certain circumstances). BMAM reserves the right to place Katherine on garden leave during her notice period. The service agreement does not provide for any contractual benefits to be payable to Katherine in the event of termination of her service agreement. Katherine is entitled to 30 working days' annual holiday per annum in addition to public holidays. Katherine is subject to a 6 month non-compete and a 12 month non-poach, non-solicit, non-deal and non-engagement of clients, prospective clients, restricted employees and restricted intermediaries.

Save as set out above, on Admission there will be no existing or proposed service agreements between the Executive Directors and any member of the Group.

## 11. NON-EXECUTIVE DIRECTORS' LETTERS OF APPOINTMENT

Each Non-Executive Director has entered into a letter of appointment with the Company. Each Non-Executive Director was appointed on the date listed in the following table and their appointments shall continue unless terminated by either the Company or the Non-Executive Director giving not less than the notice listed. The basic annual fee of the Chair is currently £220,000 and the basic annual fee of each other Non-Executive Director is currently £70,000, and each are reviewed annually. The Chairs of each Board committee currently receive an additional fee of £12,500 per annum. The Senior Independent Director currently receives an additional fee of £12,500 per annum. An attendance fee of £5,000 per annum is also payable to the designated Non-Executive Director attending the Group's Investment Committee.

Non-Executive Director	Date of appointment	Notice period
Maarten Slendebroek	10 November 2023	Six months
Robert Burgess	15 July 2020	Three months
Dagmar Kershaw	8 May 2020	Three months
John Linwood	19 September 2018	Three months
James Rawlingson	2 March 2023	Three months

Each Non-Executive Director is entitled to reimbursement for reasonable and properly documented expenses and independent legal and other professional fees incurred in performing their duties. Each Non-Executive Director is subject to 12 months' non-compete restrictions following termination of their directorship. The Non-Executive Directors are not entitled to receive any compensation for loss of office and are not entitled to participate in the Company's share, bonus, pension or benefit schemes or any other such arrangements of the Group. However, Non-Executive Directors are entitled to benefit from customary directors' indemnities under the Company's Articles of Association, and can claim under the Company's directors' and officers' liability insurance in place for each Non-Executive Director.

Save as set out in above, on Admission there will be no existing or proposed letters of appointment between the Non-Executive Directors and any member of the Group.

## 12. DIRECTORS' REMUNERATION AND BENEFITS

A summary of the amount of remuneration paid to the Directors (including any contingent or deferred compensation) and benefits in kind for the financial year ended 30 June 2024 is set out in the table below:

Name	Annual salary/fees (£)	Other benefits (£)
Maarten Slendebroek <sup>1</sup>	132,000	-
Andrea Montague <sup>2</sup>	344,000	439,000
Katherine Jones <sup>3</sup>	-	-
Robert Burgess	90,000	-
Dagmar Kershaw	73,000	-
John Linwood	80,000	-
James Rawlingson	82,000	-

1. Maarten Slendebroek became Chair in March 2024 and therefore did not receive the full amount of his Chair fee for the financial year ended 30 June 2024
2. Andrea Montague was CFO during the financial year ended 30 June 2024, until her appointment as CEO on 1 October 2024. Her basic annual salary as CEO is now £460,000. The other benefits listed in this table include annual bonus (£418,000) and pension related benefits (£21,000)
3. Katherine Jones commenced employment on 1 November 2024 and did not receive a basic annual salary or any other benefits during the financial year ended 30 June 2024. Her basic annual salary is currently £375,000.

### **13. DIRECTORS' PENSIONS**

Only Executive Directors are eligible for pension benefits. The aggregate amount set aside by the Company to provide pension, retirement or similar benefits in relation to the Directors as at 30 June 2024 was £47,700.

### **14. SHARE PLANS**

#### **Brooks Macdonald Long Term Incentive Plan**

On 31 October 2018, the Company adopted the Brooks Macdonald Long Term Incentive Plan (the "**LTIP**"). The LTIP was amended by the Remuneration Committee on 2 June 2020, 6 September 2021 and again, conditional on Admission, on 26 February 2025. The LTIP is an umbrella scheme comprising a long-term incentive award scheme, exceptional share option award scheme and deferred bonus plan scheme ("**DBP**"). The LTIP provides a flexible framework to allow the Company to make awards of free Ordinary Shares, in the form of nil-cost options, conditional awards, or deferred bonus awards ("**Awards**").

Awards may be granted to Executive Directors and employees of the Group. The LTIP has been established to retain and incentivise the Executive Directors to deliver the Group's ambitious growth aims and to align the interests of Executive Directors with those of Shareholders. The terms of the LTIP can be summarised as follows:

#### ***Eligibility***

All employees (including Executive Directors) of the Group are eligible to participate in the LTIP (however, awards are typically restricted to individuals making significant contributions to the organisation). Unless the Remuneration Committee decides otherwise, Awards may not be granted to an employee who, on the award date, has given or received notice of termination of employment. Awards granted to "material risk takers", as identified by the Company, require the Remuneration Committee to observe all applicable regulatory remuneration codes in both the grant and the administration of the Awards from time to time. In addition, Awards granted to Executive Directors must be granted and otherwise comply with the Company's approved remuneration policy and the associated regulatory framework.

#### ***Timing of Grant***

The Remuneration Committee must approve all Awards to be made under the LTIP. Awards may generally only be made within 42 days following the announcement of the Group's financial results for the preceding financial year or half year. The Remuneration Committee may, however, grant Awards at other times in exceptional circumstances. No Awards may be granted more than 10 years after the adoption date of the LTIP.

#### ***LTIP limits***

No Award may be granted if, in any 10-year rolling period prior to the date of grant, more than 15 per cent of the issued Ordinary Shares (which includes Ordinary Shares transferred from treasury, so long as institutional investor guidelines require it) have been issued or are issuable under any employee share schemes operated by the Company. In the case of discretionary share schemes, the limit is 10 per cent. These limits do not include rights to Ordinary Shares which have lapsed or been surrendered or rights satisfied with Ordinary Shares purchased in the market.

#### ***Performance conditions, vesting and holding periods, dividend equivalents***

Save in the case of DBP Awards, Awards may be granted subject to performance conditions, as determined by the Remuneration Committee in its absolute discretion.



Performance conditions must be objective and must be specified at the date the Award is granted and may provide that an Award will lapse to the extent they are not satisfied. The Remuneration Committee has discretion to determine all other vesting conditions. In relation to conditional awards that are also DBP Awards, such awards may vest in one or more tranches as may be applicable and determined by the Remuneration Committee. At the end of the relevant performance or vesting period, whether and to what extent any performance conditions or other vesting conditions have been satisfied and how many Ordinary Shares vest for each Award shall be determined by the Remuneration Committee. Save in the case of DBP Awards, the Remuneration Committee in its discretion can impose a holding period on any Ordinary Shares acquired following the vesting of an Award. Awards may be granted subject to the entitlement to receive dividend equivalents (which may be settled in cash or Ordinary Shares) in respect of dividends that would have been paid on the Ordinary Shares the subject of a vested Award during the period between the date of grant and the date of vesting (or when the Award first becomes exercisable in the case of options).

#### ***Leaving employment***

Generally, an Award will lapse on the date a person holding an Award ceases to be an employee or member of the Group. Awards will not lapse and will be retained if an employee leaves employment due to redundancy, ill health, injury or disability, death, retirement, a sale of the employee's employing business or company, or any other reason if the Remuneration Committee so decides in its absolute discretion (a "good leaver"). Save in the case of DBP Awards, the number of Ordinary Shares subject to an Award held by a "good leaver" will usually be reduced pro rata to take account of the period between the date of grant and the date of leaving as a proportion of the whole, unless the Remuneration Committee determines otherwise in its absolute discretion.

#### ***Takeovers, corporate events and restructurings***

On a takeover, scheme of arrangement, merger, voluntary winding up or certain other reorganisations, Awards will normally vest to the extent that any performance conditions are then satisfied, and (save in the case of DBP Awards) the number of Ordinary Shares acquired may be reduced pro rata to reflect the early vesting of Awards, unless the Remuneration Committee determines otherwise in its absolute discretion.

#### ***Adjustment of Awards on a variation of share capital***

Awards may be adjusted following a rights issue or certain variations in share capital including capitalisations, subdivisions, consolidations or reductions of capital.

#### ***Settlement and Tax***

Awards will usually be share-settled, save that the Remuneration Committee may determine that instead of allotting or transferring some or all of the Ordinary Shares the subject of an Award, Awards will be cash settled instead (including, for example, to facilitate the payment of any tax liability due). The Company or any employing company of the Group may withhold such amount and make such arrangements as it considers necessary to meet any liability to taxation or social security contributions in respect of an Award, including the sale of Ordinary Shares on behalf of a participant. A participant must, if required by the Company, enter into an election to transfer to the Company the liability to employer's national insurance contributions in respect of an Award.

#### ***Amendments to the rules of the LTIP***

The Remuneration Committee may amend the provisions of the LTIP rules from time to time without any formality except where the provisions relate to dilution and plan limits,

which cannot be altered without the prior approval of Shareholders in general meeting. However, Shareholder approval is not required for minor changes intended to benefit the administration of the LTIP, or to comply with or take account of existing or proposed legislation or any changes in legislation, or to secure or maintain favourable tax, exchange control or regulatory treatment for the Company, Shareholders or participants.

#### ***Malus and Clawback***

Awards, and any Ordinary Shares (and/or cash, if applicable) underlying the Awards, are subject to reduction, cancellation and/or forfeiture at the discretion of the Remuneration Committee in accordance with the malus provisions set out in the Company's malus and clawback policy (as amended from time to time). Further, Awards and any Ordinary Shares (and/or cash, if applicable) underlying the Awards, are subject to recovery and/or repayment, including by reducing or forfeiting cash, Ordinary Shares or any other non-cash instruments, the reduction of any future bonus or award proposed to be granted, and/or making a deduction from any payment otherwise due to participants (to the extent permitted by law) such as salary, at the discretion of the Remuneration Committee, in accordance with the clawback provisions set out in the Company's malus and clawback policy (as amended from time to time).

#### ***General***

Awards granted under the LTIP cannot be transferred, charged, pledged, mortgaged or encumbered. Any Ordinary Shares issued under the LTIP will rank equally with the other Ordinary Shares in issue on the date of allotment, except in respect of rights to dividend or other distributions of the Company paid by reference to a prior record date. The laws of England and Wales govern the LTIP and all Awards.

#### **Brooks Macdonald Group Company Share Option Plan**

The Company established the Brooks Macdonald Group Company Share Option Plan ("CSOP") on 17 October 2013. The CSOP has been designed to qualify for the grant of tax-approved options under the Income Tax (Earnings and Pensions) Act 2003 ("ITEPA") and was approved by HMRC on 8 November 2013. The CSOP is a discretionary scheme whereby employees or Directors are granted an option to purchase the Company's Ordinary Shares in the future at a price set on the date of the grant. The CSOP expired on 8 November 2023 and the Company does not intend to renew it. Subsisting CSOP options are not affected by this. Certain non-material amendments were made to the CSOP by the Remuneration Committee, conditional on Admission, on 26 February 2025.

#### ***Eligibility***

Options may be granted to any employee (including Directors who dedicate at least 25 hours per week to their duties) by the Grantor. Options granted to Executive Directors must be granted in accordance with the Company's published remuneration policy from time to time.

#### ***Timing of Grant***

Awards may be made during the period of 42 days following the announcement of the Company's financial results for any period or following the occurrence of an event which the Grantor considers to be an exceptional event concerning the Group. In addition, options may be granted within 21 days following any changes to legislation affecting HMRC approved share option schemes. No option may be granted more than 10 years following HMRC's initial approval of the CSOP.

### ***Exercise price***

The price at which an option holder may acquire Ordinary Shares on the exercise of an option is determined by the Grantor and cannot be less than the market value of the Ordinary Shares on the date of grant.

### ***Vesting and Performance Conditions***

Options will normally only be exercisable by an option holder who is still an eligible employee of the Group after the third anniversary of the option's date of grant and before the tenth anniversary of the option's date of grant. Options may be granted subject to performance conditions, as determined by the Remuneration Committee in its absolute discretion. Performance conditions must be objective and must be specified at the option's date of grant and may provide that an option will lapse to the extent such conditions are not satisfied. At the end of the relevant performance or vesting period, whether and to what extent any performance conditions or other vesting conditions have been satisfied and how many Ordinary Shares vest for each option shall be determined by the Remuneration Committee.

### ***Individual Limits***

The Remuneration Committee may from time to time determine a maximum aggregate market value of Ordinary Shares granted under the CSOP to any person, taking into account market practice. However, no option may be granted to an eligible employee which would result in the aggregate exercise prices of Ordinary Shares comprised in all outstanding options granted to such employee under the CSOP, when aggregated with outstanding options held by them under any other HMRC approved executive share option scheme established by the Company, exceeding the HMRC limit (currently £60,000, which is calculated using the market value of the Ordinary Shares at the grant date).

### ***CSOP Limits***

No option may be granted if, in any 10-year rolling period prior to the date of grant, more than 15 per cent of the issued Ordinary Shares (which includes Ordinary Shares transferred from treasury, so long as institutional investor guidelines require it) have been issued or are issuable under any employee share schemes operated by the Company. In the case of discretionary share schemes (including the LTIP), the limit is 10 per cent. These limits do not include rights to Ordinary Shares which have lapsed or been surrendered or rights satisfied with Ordinary Shares purchased in the market.

### ***Leaving Employment***

Options will normally lapse on cessation of employment save in the circumstances set out below. Earlier exercise is permitted if the option holder dies or leaves employment through injury, disability, redundancy or retirement or where a participant leaves employment of the Group by reason of their employing company ceasing to be a member of the Group, or if the undertaking in which they are employed is sold outside the Group. In such circumstances options may be exercised during the period of 12 months after cessation in the case of death, and six months after cessation in all other cases, after which the option will lapse. If the option holder leaves in other circumstances, then the Grantor may, acting fairly and reasonably, allow the option to be exercised. The extent to which options may be exercised shall be determined by the Remuneration Committee taking into account, among other things, the Company's performance up to the relevant event, in which case options may be reduced pro rata to reflect the early vesting of

options, unless the Remuneration Committee determines otherwise in its absolute discretion.

### ***Takeovers, corporate events and company restructurings***

On a takeover, scheme of arrangement, voluntary winding up or certain other reorganisations, options will normally vest to the extent that any performance conditions are then satisfied, and the number of Ordinary Shares acquired may be reduced pro rata to reflect the early vesting of the options, unless the Remuneration Committee determines otherwise in its absolute discretion. If any company obtains control of the Company as a result of a takeover offer or the sanctioning of a scheme of arrangement under section 899 of the Companies Act, or if a company has become bound or entitled to acquire all of the Ordinary Shares, an option holder may, by agreement with that other company, seek the release of their options in return for the grant of equivalent options over shares in that other company (subject to HMRC approval where appropriate).

### ***Variation of Share Capital***

In the event of a capitalisation issue or offer by way of rights (including an open offer), or upon any consolidation, sub-division or reduction or other variation of the Company's capital, the exercise price, number and nominal value of the Ordinary Shares relating to the option may be varied by the Remuneration Committee acting fairly and reasonably. Where the Trustee is the Grantor, the Trustee's consent is also needed for any variation. No adjustment can be made without HMRC approval.

### ***Amendments***

The CSOP may be amended by the Remuneration Committee in any way provided that no amendment is made to the advantage of the option holders or future options holders relating to the: (i) definition of eligible employee; (ii) limits on the number of Ordinary Shares subject to the CSOP; (iii) maximum entitlement for any one participant; or (iv) basis for determining an entitlement to and the rights attaching to Ordinary Shares granted. In the event of a capitalisation issue, rights issue, subdivision, consolidation or reduction of capital or any other variation of capital, amendments to the CSOP require the prior consent of Shareholders (and additionally consent from the Trustee if the amendment affects any terms of any subsisting options granted by the Trustee), unless they are minor amendments to benefit the administration of the CSOP or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants, the Company or a member of the Group. Further, no amendment of a key feature can be made without the prior approval of HMRC.

### ***General***

Options may not be transferred (other than in the case of death) or charged and if an option holder attempts to do so their options will lapse immediately. If an option holder ceases to be employed by the Group they will not be entitled to compensation for the loss of their options. Benefits under the CSOP will not be pensionable. The CSOP and its rules are governed by and construed in accordance with the laws of England and Wales.

### **Brooks Macdonald Group Sharesave Scheme**

The Company established the Brooks Macdonald Group Sharesave Scheme (the "**Sharesave Scheme**") on 28 April 2015. The Sharesave Scheme is an all employee (including Directors) tax favoured plan intended to meet the requirements of Schedule 3 to ITEPA. Under the Sharesave Scheme, employees of the Group are eligible to receive options to acquire Ordinary Shares at a discount of up to 20 per cent of the market value of Ordinary Shares at the date of grant. Participants enter a savings contract with a

savings provider for a specified period determined at the outset by the Company. At the end of the savings period, the savings can be used to exercise the option and acquire Ordinary Shares, or the cash saved can be refunded to the participant. If options are exercised in tax favoured circumstances, and provided the Sharesave Scheme qualifies as a tax favoured scheme at that time, no income tax is chargeable on any gain made on exercise.

### ***Eligibility***

All employees (including Directors who dedicate at least 25 hours per week to their duties) of a participating company in the Group who have worked continuously for a period not exceeding five years, as determined by the Grantor, are eligible to participate in the Sharesave Scheme and must be invited to do so.

### ***Timing of Grant***

Invitations may be issued within 42 days after the announcement of the financial results of the Company for any period or after any change in applicable tax legislation. In exceptional circumstances the Grantor may issue invitations outside these periods.

### ***Option Exercise Price***

The exercise price of an option is determined by the Grantor prior to invitations being sent to all eligible employees. The exercise price must not be less than the nominal value of an Ordinary Share (if it is an option to subscribe for Ordinary Shares) or 80 per cent of the market value of an Ordinary Share. This market value will need to be agreed with the HMRC unless the Company is listed on the London Stock Exchange in which case it will be the middle market quotation of an Ordinary Share on the London Stock Exchange on the last dealing day preceding the issue of invitations under the Sharesave Scheme. The percentage varies in line with changes in applicable legislation.

### ***Vesting and Exercise***

Options may be granted subject to a three or five year savings contract and must be exercised in the six month period following the maturity date of the related savings contract.

### ***Individual Limits***

On receipt of an invitation, participants may apply for the grant of an option by entering into a savings contract to save a monthly amount which may not be less than the minimum specified in the savings contract (currently £5) and may not exceed £500. The Grantor may fix a higher minimum than £5 per month. The limit of £500 per month may increase in line with changes in applicable legislation. Applications must be received within a specified period and if the Grantor receives applications for options over more Ordinary Shares than are available, applications may be scaled down. On receipt of applications (after scaling down, if applicable) options are granted to participants by the Grantor.

### ***Sharesave Scheme Limits***

No option may be granted if, in any 10-year rolling period prior to the date of grant, more than 15 per cent of the issued Ordinary Share capital of the Company (which includes Ordinary Shares transferred from treasury, so long as institutional investor guidelines require it) have been issued or are issuable under any employee share schemes operated by the Company. In the case of discretionary share schemes (including the LTIP), the limit is 10 per cent. These limits do not include rights to Ordinary Shares which have lapsed or been surrendered or rights satisfied with Ordinary Shares purchased in the market.

### ***Leaving Employment***

If the option holder ceases employment or to hold office by reason of injury, disability, redundancy, retirement, because their employing company ceases to be a member of the Group or because the business by which they are employed is transferred out of the Group, their options may be exercised within six months of cessation. Any option not exercised within that six-month period will lapse. If an option holder dies before the option becomes exercisable, their option may be exercised within twelve months of their death by their personal representatives. If an option holder ceases employment more than three years after the date of the grant, the option may be exercised within six months of cessation. Any option not exercised within that six-month period will lapse. If the option holder ceases employment less than three years after the date of grant in other circumstances, then the option will lapse, but the option holder will remain entitled to their savings plus any accrued but unpaid interest.

### ***Takeovers, corporate events and company restructurings***

On a takeover, scheme of arrangement, voluntary winding up or certain other reorganisations, options will vest and become exercisable, but the number of Ordinary Shares acquired will be limited to reflect the early vesting and the reduced amount of savings accrued under the savings contract. If any company obtains control of the Company as a result of a takeover offer or the sanctioning of a scheme of arrangement under section 899 of the Companies Act, or if a company has become bound or entitled to acquire all the Ordinary Shares, an option holder may, by agreement with that other company, seek the release of their options in return for the grant of equivalent options over shares in that other company (subject to HMRC approval, where appropriate).

### ***Variation of share capital***

On a variation of the Company's share capital by way of capitalisation or rights issue, subdivision, consolidation or a reduction, the exercise price and the number of Ordinary Shares comprised in an option can be varied at the discretion of the Board, subject to prior HMRC approval. This is subject to any variation not being unlawful, the total market value of the Ordinary Shares, and the total exercise price after variation, being substantially the same as before the variation.

### ***Amendments***

The Board will have the power to administer, interpret and amend the Sharesave Scheme. Certain provisions of the Sharesave Scheme dealing with eligibility and the basis for determining an option holder's entitlements under the Sharesave Scheme cannot be altered to the advantage of option holders without prior approval by Shareholders. This does not apply in the case of minor amendments to benefit the administration of the Sharesave Scheme, to take account of any change to legislation, or to obtain favourable tax, exchange control, or regulatory treatment for option holders or any Group company. The rules of the Sharesave Scheme cannot be altered to increase the Sharesave Scheme limits without prior Shareholder approval. The Sharesave Scheme may be amended to allow it to be operated outside the United Kingdom, taking account of overseas legal, taxation and securities laws.

### ***General***

Options may not be transferred (other than in the case of death) or charged and if an option holder attempts to do so their options will lapse immediately. If an option holder ceases employment they will not be entitled to compensation for the loss of their options. Benefits under the Sharesave Scheme will not be pensionable. The Sharesave

Scheme and its rules are governed by and construed in accordance with the laws of England and Wales.

### **Brooks Macdonald Employee Benefit Trust**

On 3 December 2010, the Group established an Employee Benefit Trust (the "EBT") to acquire Ordinary Shares in the Company to satisfy awards made under the Group's employee share schemes. JTC Employer Solutions Trustee Limited acts as the trustee of the EBT (the "Trustee").

#### ***Constitution***

The EBT is a discretionary employee benefit trust (within the meaning of section 86 of the Inheritance Tax Act 1984). The EBT is operated as an employee share scheme within the meaning of section 1166 of the Companies Act, with the purpose of encouraging and facilitating the holding of Ordinary Shares by bona fide employees of the Group (which, for these purposes includes Executive Directors), former employees and certain of their relatives (or for their benefit). The Trustee has full discretion with regard to the application of the trust fund. Whilst the Trustee is required to consult with the Company under the terms of the trust deed, the views expressed by the Company are not binding on the Trustee.

#### ***Funding***

The Trustee has the power to subscribe for and/or purchase Ordinary Shares and any Ordinary Shares so acquired may be used for the purposes of any employee share scheme operated by the Company, including the grant of Awards or options under the LTIP, the CSOP and the Sharesave Scheme described above. The Trustee may also act as nominee for, and on behalf of, any beneficiary. The EBT may be funded by way of loan or gift to acquire Ordinary Shares in the Company either by market purchase or by subscription, and such funding should constitute lawful financial assistance for the purposes of an employee share scheme as permitted by (and subject to) sections 677 to 683 of the Companies Act.

#### ***Limits to Holdings and Dividend Waiver***

Any Ordinary Shares issued to the Trustee to satisfy Awards or options it has agreed to satisfy will be treated as counting towards the dilution limits that apply to the LTIP, the CSOP and the Sharesave Scheme, respectively. For the avoidance of doubt, any Ordinary Shares acquired by the Trustee in the market will not count towards these limits. In addition, unless directed otherwise by the Company from time to time, the Trustee will waive any dividends paid on the Ordinary Shares settled in the EBT as part of the trust fund.

## **15. THE GROUP**

The Company is the principal holding company of the Group. The Company has the following significant subsidiaries.

### **Subsidiary Undertakings**

<b>Name</b>	<b>Nature of business</b>	<b>Country of incorporation</b>	<b>% of share capital held</b>
Adroit Financial Planning Limited	Wealth management	UK	100
Braemar Group Limited	Parent holding company	UK	100
Brooks Macdonald Asset Management Limited	Investment and wealth management	UK	100
Brooks Macdonald Financial Consulting Limited	Non-trading	UK	100
Brooks Macdonald Funds Limited	Non-trading	UK	100

Brooks Macdonald Nominees Limited	Non-trading	UK	100
Cornelian Asset Managers Group Limited	Parent holding company	UK	100
Cornelian Asset Managers Limited	Fund management	UK	100
Cornelian Asset Managers Nominees Limited	Non-trading	UK	100
CST Wealth Management Limited	Wealth management	UK	100
Integrity Wealth (Holdings) Limited	Parent holding company	UK	100
Integrity Wealth Bidco Limited	Non-trading	UK	100
Integrity Wealth Solutions Limited	Wealth management	UK	100
Levitas Investment Management Services Limited	Fund sponsor	UK	100
Lucas Fettes Holdings Limited	Parent holding company	UK	100
Lucas Fettes and Partners (Financial Services) Limited	Wealth management	UK	100
LIFT-Financial Group Ltd	Parent holding company	UK	100
LIFT-Invest Limited	Investment management	UK	100
LIFT-Financial Ltd	Financial planning services	UK	100
LIFT-Sport Limited	Financial planning services	UK	100
LIFT-Insurance Ltd	Insurance broking services	UK	100
LIFT-Advice Ltd	Financial planning services	UK	100
LIFT-Mortgages Limited	Mortgage broking services	UK	100
LIFT-Workwise Limited	Corporate client advice	UK	100
LIFT-Tax Limited	Dormant	UK	100

## 16. MATERIAL CONTRACTS

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the publication of this Prospectus and which are or may be material to the Group, or which have been entered into by any member of the Group at any time and contain a provision under which any member of the Group has any obligation or entitlement which is material to the Group at the date of this Prospectus.

### **BMI Disposal**

#### ***Sale and Purchase Agreement***

On 11 September 2024, the Company entered into a sale and purchase agreement (the "**BMI SPA**") pursuant to which the Company agreed to sell the entire issued share capital of BMI to Canaccord. The Company announced that completion of the BMI Disposal had occurred on 24 February 2025.

The consideration payable under the BMI SPA is subject to a number of adjustments and the total consideration payable to the Company will be up to approximately £50.85 million, comprising: (i) cash consideration of £28 million payable on completion; and (ii) contingent deferred consideration of up to £22.85 million payable in cash two years post-completion, contingent on the revenue performance of the BMI business during the two years following completion. The cash consideration paid to the Company on completion was subject to adjustment in respect of the level of surplus regulatory capital within BMI, and other factors, at the completion date.

The BMI SPA contains customary title and capacity warranties, as well as certain business warranties given in favour of Canaccord. The Company's liability for breach of the business warranties and any claim under the tax covenant or tax warranties is limited to



£1.00. The Company's liability for breach of the fundamental warranties and restrictive covenants, along with all other claims, is limited to the amount of the consideration (including any deferred consideration) actually received from Canaccord. The BMI SPA also contains certain indemnities (capped and limited in time and scope) in favour of Canaccord.

The BMI SPA contains covenants given by the Company relating to the non-solicitation of employees and clients of BMI for a period of three years after completion and also certain non-compete covenants given by the Company for the same period.

#### ***BMI Transitional Services Agreement***

Brooks Macdonald Asset Management Limited ("**BMAM**") and BMI executed a transitional services agreement (the "**BMI TSA**") simultaneously with the BMI SPA, effective on completion of the BMI SPA, pursuant to which BMAM shall provide IT, human resources, finance, marketing and communications, risk and compliance and operations services to BMI to assist BMI in operating its business following completion.

The key terms of the BMI TSA are as follows: (i) monthly charges capped at £154,250 are payable by BMI to BMAM, which include third party costs; (ii) there will be a pass-through of services provided to both BMAM and BMI by SS&C under the terms of an outsourcing agreement entered into with SS&C in 2020 (with a mechanism included in the BMI TSA under which BMAM will, where requested, facilitate the withdrawal of BMI from the arrangement with SS&C, following which any associated early termination charges will be for the account of BMAM); (iii) BMAM will pay SS&C's charges on BMI's behalf, and BMI will put BMAM in funds for these purposes on a monthly basis, capped at £80,000; (iv) unless terminated earlier, SS&C's services will be passed through to BMI for 12 months; (v) all other BMI TSA services are provided by BMAM for six months unless terminated earlier or extended with the agreement of both parties; and (vi) individual services can be terminated early by BMI on 30 days' notice.

#### **LIFT-Financial Group Acquisition**

On 8 October 2024, the Company entered into a sale and purchase agreement (the "**LIFT SPA**") pursuant to which it agreed, subject to certain conditions, to acquire the entire issued share capital of LIFT-Financial Group from its existing shareholders. Completion of the LIFT-Financial Group Acquisition occurred on 31 January 2025.

The consideration payable under the LIFT SPA is subject to a number of adjustments and the total consideration payable by the Company will be up to approximately £45 million, comprising: (i) cash consideration of approximately £30 million payable on completion; (ii) cash consideration of up to £10 million payable at the end of the first 12 months following completion, subject to achieving certain client retention targets; and (iii) deferred consideration of up to £5 million, 50 per cent of which will be payable in cash and 50 per cent will be payable in Ordinary Shares at the end of the first 12 months following completion, subject to certain EBITDA targets being met by LIFT-Financial Group.

The LIFT SPA contains customary title and capacity warranties, as well certain business warranties given in favour of the Company. The liability of LIFT-Financial Group's existing shareholders for any breach of the fundamental warranties, business warranties, and any claim under the tax covenant or tax warranties in the LIFT SPA is limited to £1.00, subject to certain limited exceptions, and as such the Company has obtained a warranty and indemnity insurance policy. The LIFT SPA also contains indemnities in favour of the Company in respect of certain areas of risk identified during due diligence.

## **SS&C Agreement**

BMAM and BMI entered into an agreement with SS&C on 24 October 2020 (the "**SS&C Agreement**") under which the following activities are outsourced to SS&C and under which SS&C makes its investment management platform available to the Group. The services provided under the SS&C Agreement include investor support, investor onboarding, client account maintenance, client and adviser reporting, wrapper plan administration, regulatory reporting, trade order management, certain compliance functions, client portfolio accounting, and various "safekeeping" activities (such as client payments, CREST monitoring and BACS processing). The SS&C Agreement also provides for custody services to be performed by SS&C, but these services have not been required by the Group. Under the SS&C Agreement, SS&C is not granted any exclusivity with respect to the provision of these services.

The SS&C Agreement has an initial term of 10 years, following which it automatically continues unless either party has served notice to terminate (on not less than 12 months' notice from the Group and 18 months' notice from SS&C). The Group can terminate the SS&C Agreement at any time during the initial term on giving 12 months' notice. The SS&C Agreement also includes certain customary termination rights which may be invoked at any time (for example, in relation to material breach, insolvency and change of control (in certain circumstances)).

SS&C's performance under the SS&C Agreement is subject to ongoing service level and KPI monitoring. If SS&C fails to meet certain specified KPIs on multiple occasions within a given period then the Group can treat this as a material service failure and exercise a right to terminate the SS&C Agreement. On an annual basis SS&C Financial Services International Limited is required to provide the Group with a written statement signed by a Director confirming that it remains financially viable and able to continue providing the Group with the services. If SS&C is unable to provide this written statement then the Group may terminate the SS&C Agreement.

Service charges are payable monthly in arrears. The ongoing service charges payable by the Group are broadly as follows: (a) a monthly fee for core services, which is calculated by multiplying the daily average FuM within scope of the SS&C Agreement for that month by a stipulated basis points value; and (b) core charges for the use of SS&C's Advent software product suite, which are fixed annually but subject to an uplift if the Group's user numbers exceed an agreed threshold. These software charges are subject to annual index-linked increases.

At any time after the fifth anniversary of entering into the SS&C Agreement the Group is entitled to conduct a benchmarking exercise with respect to service charges, service levels and service performance. In doing so, a comparison is carried out against similar services and offerings in the market. The SS&C Agreement includes change control procedures for amending its terms in respect of price, service levels and/or service performance in light of the outcome of this benchmarking exercise.

The SS&C Agreement contains market standard limitations on liability and exclusions. The SS&C Agreement also includes a cap on: (a) SS&C's liabilities in any year, which is set at the greater of: (i) £12,000,000; and (ii) 200 per cent of core service charges paid in the previous year; and (b) the Group's liabilities in any year, which is set at the greater of: (i) £8,000,000; and (ii) 100 per cent of core service charges paid in the previous year. These liability caps do not apply in respect of a party's liability for certain breaches of the SS&C Agreement (e.g. confidentiality obligations) or in respect of certain mutual indemnities given to the other party (e.g. third-party IP infringement and TUPE exposure). SS&C has uncapped liability for breaches of its business continuity obligations. The Group has

uncapped liability under indemnities given with regard to claims brought against SS&C by the Group's clients.

### **Revolving Credit Facility**

A £15,000,000 revolving credit facility has been made available to the Group pursuant to a facility letter dated 28 December 2023 entered into between, among others, BMAM as borrower and Lloyds Bank Corporate Markets plc as lender (the "**RCF**"). The RCF is unsecured and as at the Latest Practicable Date, the RCF was undrawn.

The rate of interest payable on amounts drawn under the RCF is the aggregate of the margin and compounded SONIA. The margin is fixed at 2 per cent per annum. Interest is payable in arrears at the end of each interest period and interest periods are one month unless otherwise agreed between BMAM and the lender. A commitment fee of 0.7 per cent per annum is payable by BMAM on any undrawn amount under the RCF.

The RCF was originally due to terminate on 31 December 2024 but the Company has exercised a one-year extension option, meaning the term of the RCF will be extended until 31 December 2025. Under the terms of the RCF a mandatory prepayment event will occur upon any sale, listing or change of control of the Group, and in such event any amounts borrowed under the RCF shall be repaid and the RCF shall be cancelled. BMAM has obtained a waiver of this mandatory prepayment and cancellation provision in respect of Admission.

BMAM as borrower must ensure it complies with the following covenants: (i) Minimum Consolidated Tangible Net Worth - the aggregate of BMAM's paid issued share capital plus capital and revenue reserves shall not at any time be less than £19,860,000 (to be tested on 30 June and 31 December of each year); (ii) Debt Service - the consolidated EBITDA of BMAM shall not be less than 250% of the aggregate amount of any principal repayments and interest paid and payable for the 12-month period covered by the relevant financial statement (to be tested on 30 June of each year); and (iii) Minimum Assets Under Administration - BMAM's consolidated assets under administration shall not at any time be less than £8,820,000,000 (to be tested on 30 June and 31 December of each year).

The RCF contains a customary set of undertakings, representations and events of default.

### **Sponsor Agreement**

On the date of publication of this Prospectus, the Company and the Sponsor entered into a sponsor agreement pursuant to which the Sponsor agreed to act as the Company's sole sponsor for the purposes of the UKLR in relation to Admission (the "**Sponsor Agreement**").

Under the terms of the Sponsor Agreement, the Company has agreed to provide certain customary warranties, representations and undertakings in favour of the Sponsor in relation to, among other things, the accuracy of information in the Prospectus and other matters relating to the Group. The Company has also agreed to indemnify the Sponsor and its associates against, among other things, claims made against them or losses incurred by them in connection with Admission, subject to certain customary limited exceptions. The liability of the Company under the Sponsor Agreement is unlimited by both time and amount. In addition, the Sponsor Agreement provides the Sponsor with the right to terminate the Sponsor Agreement before Admission in certain specified circumstances typical for a sponsor agreement of this nature. The Company has agreed to pay the Sponsor a customary fee and to bear the Sponsor's costs and expenses in connection with Admission. The Sponsor Agreement is governed by English law.

**17. MATERIAL LITIGATION**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during the 12 months prior to the date of this Prospectus which may have, or have had in the recent past, significant effects on the Company and/or the Group's financial position or profitability.

**18. RELATED PARTY TRANSACTIONS**

The related party transactions entered into by members of the Group during the period covered by the historical financial information are disclosed in: (i) Notes 39 and 49 to the audited consolidated financial statements of the Group included in the 2022 Annual Report; (ii) Notes 34 and 48 to the audited consolidated financial statements of the Group included in the 2023 Annual Report; (iii) Notes 34 and 39 to the audited consolidated financial statements of the Group included in the 2024 Annual Report; and (iv) Note 23 to the unaudited condensed consolidated financial statements of the Group included in the 2025 HY Results. The audited consolidated financial statements of the Group as at and for each of the financial years ended 30 June 2022, 30 June 2023 and 30 June 2024, and the unaudited condensed consolidated financial statements of the Group as at and for the six months ended 31 December 2024, have been incorporated into this Prospectus by reference as set out in Part XV (*Documents Incorporated by Reference*) of this Prospectus. No related party transactions were entered into by members of the Group between 31 December 2024 and the Latest Practicable Date.

**19. WORKING CAPITAL**

The Company is of the opinion that the Group has sufficient working capital for its present requirements, that is, for at least the next 12 months from the date of publication of this Prospectus.

**20. SIGNIFICANT CHANGE**

There has been no significant change in the financial position or financial performance of the Group since 31 December 2024, being the date to which the last unaudited condensed consolidated interim report and accounts of the Group have been published.

**21. AUDIT**

The Group's auditors are PwC, who were appointed as auditors in 2011 and are expected to continue as the auditors of the Group following Admission. PwC has been the auditor of the Group for the period covered by the historical financial information. PwC has no material interest in the Group and is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

The accounting reference date of the Group is 30 June.

**22. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents may be inspected on the Group's website at <https://www.brooksmacdonald.com/professional-connections/investor-relations> for a period of 12 months from the date of publication of this Prospectus:

- (a) a copy of this Prospectus;
- (b) the documents incorporated into this Prospectus by reference as set out in Part XV (*Documents Incorporated by Reference*); and
- (c) the Articles of Association.

For the purposes of Rule 3.2 of the Prospectus Regulation Rules, this Prospectus will be published in printed form and available free of charge, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) for a period of 28 days from the date of publication of this Prospectus at 21 Lombard Street, London EC3V 9AH. In addition, the Prospectus will be published in electronic form and be available on the Group's website at <https://www.brooksmacdonald.com/professional-connections/investor-relations>.

## **23. EXPENSES**

The total costs, charges and expenses payable by the Company in connection with Admission are estimated to be approximately £1.6 million (exclusive of VAT). No expenses will be charged to Shareholders.

## PART XV

### DOCUMENTS INCORPORATED BY REFERENCE

The table below sets out the information which is incorporated by reference into, and forms part of, this Prospectus. These documents are available on the Group's website at <https://www.brooksmacdonald.com/professional-connections/investor-relations>.

Any non-incorporated parts of such documents are either not relevant for the investor or the relevant information is included elsewhere in this Prospectus. Any documents themselves incorporated by reference into, or referred or cross-referred to in, the information incorporated by reference into this Prospectus shall not form part of this Prospectus.

Document	Sections	Page Numbers
<b>2025 HY Results</b>		
Link: <a href="https://www.brooksmacdonald.com/sites/default/files/document/HY25-report-and-accounts.pdf">https://www.brooksmacdonald.com/sites/default/files/document/HY25-report-and-accounts.pdf</a>		
	Interim management report	1-8
	Condensed consolidated statement of comprehensive income	9
	Condensed consolidated statement of financial position	10
	Condensed consolidated statement of changes in equity	11
	Condensed consolidated statement of cash flows	12
	Notes to the condensed consolidated financial statements	13-30
	Non-IFRS financial information	31
	Statement of Directors' responsibilities	32
	Independent review	33
<b>2024 Annual Report</b>		
Link: <a href="https://www.brooksmacdonald.com/sites/default/files/2024-09/BM-FY24-ARA.pdf">https://www.brooksmacdonald.com/sites/default/files/2024-09/BM-FY24-ARA.pdf</a>		
	Strategic report, Chair's statement	8-9
	Strategic report, CEO's review	10-12
	Strategic report, Market overview	13-15
	Strategic report, Our strategy	26-27
	Strategic report, Key performance indicators	28-29
	Strategic report, Financial review	30-38
	Report of the Directors	100-101
	Independent Auditors' report	103-107
	Consolidated statement of comprehensive income	110
	Consolidated statement of financial position	111
	Consolidated statement of changes in equity	112
	Consolidated statement of cash flows	113
	Notes to the consolidated financial statements	114-160
	Company statement of financial position	162
	Company statement of changes in equity	163
	Company statement of cash flows	164
	Notes to the Company financial statements	165-172
<b>2023 Annual Report</b>		
Link: <a href="https://www.brooksmacdonald.com/sites/default/files/2024-07/FY23-annual-report-and-accounts.pdf">https://www.brooksmacdonald.com/sites/default/files/2024-07/FY23-annual-report-and-accounts.pdf</a>		
	Strategic report, Chairman's statement	8-9
	Strategic report, Marketplace	10-13
	Strategic report, Our strategy	24-25
	Strategic report, Key performance indicators	26-27
	Strategic report, CEO's review	28-30
	Strategic report, Financial review	32-41
	Report of the Directors	116-117
	Independent Auditors' report	120-125
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	Consolidated statement of changes in equity	130

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## 2022 Annual Report

Link: <https://www.brooksmacdonald.com/sites/default/files/2024-07/BM-FY22-annual-report-and-accounts.pdf> Notes to the (

Strategic report, Chairman's statement	6-7
Strategic report, CEO's review	8-11
Strategic report, Marketplace	14-15
Strategic report, Our strategy	24-25
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Consolidated statement of comprehensive income	124
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## **PART XVI**

### **DEFINITIONS**

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

<b>"2022 Annual Report"</b>	the annual report and accounts published by the Group for the financial year ended 30 June 2022;
<b>"2023 Annual Report"</b>	the annual report and accounts published by the Group for the financial year ended 30 June 2023;
<b>"2024 Annual Report"</b>	the annual report and accounts published by the Group for the financial year ended 30 June 2024;
<b>"2025 HY Results"</b>	the report on financial results published by the Group for the six months ended 31 December 2024;
<b>"Admission"</b>	the admission of the Ordinary Shares to listing on the Equity Shares (Commercial Companies) Category of the Official List and to trading on the London Stock Exchange's Main Market for listed securities;
<b>"Adviser Solutions"</b>	one of the Groups two businesses, providing outsourced discretionary investment management services via Financial Advisers to their private and corporate clients;
<b>"AIM"</b>	the Alternative Investment Market of the London Stock Exchange;
<b>"AIM Rules"</b>	the AIM Rules for Companies 2021;
<b>"Annual General Meeting" or "AGM"</b>	an annual general meeting of the Company;
<b>"APM"</b>	alternative performance measure;
<b>"ARC PCI"</b>	Asset Risk Consultants, a provider of asset risk and performance indices;
<b>"Articles of Association"</b>	the articles of association of the Company in force as at the date of this Prospectus;
<b>"AuA"</b>	assets under advice;
<b>"BAU"</b>	business-as-usual;
<b>"Brooks Macdonald" or the "Group"</b>	the Company and its subsidiaries;
<b>"BMAM"</b>	Brooks Macdonald Asset Management Limited;
<b>"BMI"</b>	Brooks Macdonald Asset Management (International) Limited, which held the Group's International business in the Crown Dependencies;
<b>"BMI Disposal"</b>	the Company's sale of the entire issued share capital of BMI to Canaccord;
<b>"BMI SPA"</b>	the sale and purchase agreement dated 11 September 2024 pursuant to which the Company agreed to sell the entire issued share capital of BMI to Canaccord, as described in paragraph 16 of Part XIV ( <i>Additional Information</i> ) of this Prospectus;
<b>"BMI TSA"</b>	the transitional services agreement between BMAM and BMI executed simultaneously with the BMI SPA, as described in



	paragraph 16 of Part XIV ( <i>Additional Information</i> ) of this Prospectus;
"BMIS"	BM Investment Solutions;
"Board" or the "Directors"	the directors of the Company whose names are set out in Part IV ( <i>Directors, Secretary, Registered and Head Office and Advisers</i> ) of this Prospectus;
"BPS"	the Group's Bespoke Portfolio Service;
"Canaccord"	Canaccord Genuity Wealth (International) Holdings Limited;
"CASS"	the FCA's Client Asset Sourcebook Rules;
"CCI Regulations"	Consumer Composite Investments (Designated Activities) Regulations 2024;
"CIP"	Centralised Investment Process;
"COBS"	Conduct of Business Sourcebook;
"Companies Act"	the Companies Act 2006 (as amended);
"Company"	Brooks Macdonald Group plc, the holding company of the Group;
"Consumer Duty"	the FCA's Consumer Duty rules;
"CREST"	the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear is the operator (as defined in the Uncertificated Securities Regulations 2001);
"CREST Rules"	the rules and conditions published by Euroclear in respect of the provision of CREST;
"Crown Dependencies"	Jersey, Guernsey and the Isle of Man;
"CSOP"	the Brooks Macdonald Group Company Share Option Plan;
"CST Wealth Management"	CST Wealth Management Limited;
"CST Wealth Management Acquisition"	the Company's acquisition of CST Wealth Management;
"DBP"	the deferred bonus plan scheme under the LTIP;
"Defaqto"	an independent researcher in respect of financial products;
"Disclosure Guidance and Transparency Rules"	the disclosure guidance and transparency made by the FCA under Part VI of the FSMA and forming part of the FCA Handbook as amended from time to time;
"EBT"	the Group's Employee Benefit Trust;
"ESG"	environmental, social and governance;
"EU"	European Union;
"Euroclear"	Euroclear UK & International Limited, the operator of CREST;
"EUWA"	the European Union (Withdrawal) Act 2018, as amended from time to time;
"Executive Directors"	the executive directors of the Company as at the date of this Prospectus, being Andrea Montague (Chief Executive Officer) and Katherine Jones (Chief Financial Officer);

"FCA"	the UK Financial Conduct Authority;
"FCA Handbook"	the rules and guidance of the FCA published as the FCA Handbook, as amended from time to time;
"Financial Advisers"	IFAs and Financial Planners;
"Financial Planners"	Internal Financial Advisers and Restricted Financial Advisers;
"Financial Planning"	one of the Group's two businesses, providing both restricted and independent 'whole of market' advice to high-net-worth individuals, enabling them to build, manage and protect their wealth;
"FOS"	The UK Financial Ombudsman Service;
"FSCS"	the UK Financial Services Compensation Scheme;
"FSMA"	the Financial Services and Markets Act 2000, as amended from time to time;
"FTSE"	Financial Times Stock Exchange;
"FuM"	funds under management;
"Grantor"	in relation to an Option, the grantor of that Option, being either the Company or the Trustee;
"HM Treasury"	his Majesty's Treasury;
"HMRC"	HM Revenue & Customs;
"IFAs"	independent financial advisers (including third-party firms of independent financial advisers) not employed by or working solely with the Group, who offer the Group's products and services as well as "whole of market" advice;
"IFPR"	the UK Investment Firms Prudential Regime as set out in the FCA's Prudential Sourcebook for MIFID Investment Firms;
"IFRS"	UK adopted International Financial Reporting Standards;
"Internal Financial Advisers"	financial advisers employed by or working solely with the Group, who offer the Group's products and services as well as 'whole of market' advice;
"Investec" or "Sponsor"	Investec Bank plc;
"ITEPA"	Income Tax (Earnings and Pensions) Act 2003;
"Latest Practicable Date"	4:30 p.m. on 18 March 2025;
"LIFT-Financial Group"	LIFT-Financial Group Ltd and LIFT-Invest plc and their respective subsidiaries;
"LIFT-Financial Group Acquisition"	the Company's acquisition of the entire issued share capital of the entities comprising the LIFT-Financial Group;
"LIFT SPA"	the sale and purchase agreement entered into by the Company on 8 October 2024 in respect of the LIFT-Financial Group Acquisition, as described in paragraph 16 of Part XIV ( <i>Additional Information</i> ) of this Prospectus;
"London Stock Exchange"	London Stock Exchange plc;
"LTIP"	Brooks Macdonald Long Term Incentive Plan;

<b>"Lucas Fettes"</b>	Lucas Fettes Holdings Limited and its subsidiaries;
<b>"Lucas Fettes Acquisition"</b>	the Company's acquisition of Lucas Fettes;
<b>"Main Market"</b>	the Main Market of the London Stock Exchange;
<b>"ML Regulations"</b>	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and the Proceeds of Crime Act 2002;
<b>"MPS"</b>	Managed Portfolio Service;
<b>"Nil Rate Amount"</b>	the nil rate of income tax that applies to the first £500 of dividend income received by a UK individual Shareholder in a tax year;
<b>"Non-Executive Directors"</b>	the non-executive directors of the Company as at the date of this Prospectus;
<b>"Official List"</b>	the Official List of the FCA;
<b>"Ordinary Shares"</b>	the ordinary shares of £0.01 each in the capital of the Company;
<b>"UK PRIIPs Regulation"</b>	the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation as it forms part of UK law by virtue of the EU (Withdrawal) Act 2018, as amended from time to time;
<b>"Principles"</b>	the FCA's Principles for Businesses;
<b>"Prospectus Regulation Rules"</b>	the Prospectus Regulation Rules made by the FCA under section 73A of FSMA;
<b>"PwC"</b>	PricewaterhouseCoopers LLP;
<b>"RCF"</b>	the revolving credit facility available to the Group pursuant to a facility letter dated 28 December 2023 and entered into between, among others, BMAM as borrower and Lloyds Bank Corporate Markets plc as lender, as described in paragraph 16 of Part XIV ( <i>Additional Information</i> ) of this Prospectus;
<b>"Restricted Financial Advisers"</b>	financial advisers employed by or working solely with the Group, who only offer the Group's products and services;
<b>"RIS"</b>	Responsible Investment Service;
<b>"SDR"</b>	the FCA's sustainability disclosure requirements;
<b>"SDRT"</b>	stamp duty reserve tax;
<b>"SECR"</b>	Streamlined Energy and Carbon Reporting;
<b>"Shareholders"</b>	the holders of Ordinary Shares from time to time;
<b>"Share Plans"</b>	the LTIP, the CSOP and the Sharesave Scheme;
<b>"Sharesave Scheme"</b>	the Brooks Macdonald Group Sharesave Scheme;
<b>"Small Company"</b>	as defined in Chapter 2 of Part 9A of the Corporation Tax Act 2009;
<b>"SMCR"</b>	the Senior Managers and Certification Regime;
<b>"SONIA"</b>	Sterling Overnight Index Average;
<b>"Sponsor Agreement"</b>	the Sponsor Agreement dated 24 March 2025 and entered into between the Company, the Directors and the Sponsor, as

	described in paragraph 16 of Part XIV ( <i>Additional Information</i> ) of this Prospectus;
"SS&C"	SS&C Technologies Inc., SS&C Financial Services International Limited, SS&C Financial Services Europe Limited and SS&C Custody Services Limited;
"SS&C Agreement"	the agreement entered into between BMAM, BMI and SS&C on 24 October 2020, as described in paragraph 16 of Part XIV ( <i>Additional Information</i> ) of this Prospectus;
"subsidiary"	as defined in sections 1159 and Schedule 6 of the Companies Act;
"Takeover Code"	the City Code on Takeovers and Mergers;
"Trustee"	JTC Employer Solutions Trustee Limited, acting as the trustee of the EBT;
"U.S. Securities Act"	the U.S. Securities Act of 1933, as amended;
"UCITS Directive"	the Undertakings for Collective Investment in Transferable Securities Directive 2009;
"UK Corporate Governance Code"	the UK Corporate Governance Code published by the Financial Reporting Council, as amended from time to time;
"UK GDPR"	assimilated Regulation (EU) 2016/679 as it forms part of UK law by virtue of the EUWA;
"UK MAR"	assimilated Regulation (EU) 2014/596 as it forms part of UK law by virtue of the EUWA;
"UK PRIIPs Regulation"	the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation as it forms part of UK law by virtue of the EUWA;
"UK Prospectus Regulation"	assimilated Regulation (EU) 2017/1129 as it forms part of UK law by virtue of the EUWA;
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland;
"UKLR"	the UK Listing Rules Sourcebook; and
"VAT"	value added tax or any similar, replacement or additional tax chargeable in the United Kingdom.