

NS Acquisition

RATHBONES

COMPLETION OF THE COMBINATION

[RATHBONES GROUP PLC](#)

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21 September 2023

Completion of the Combination

The Board and Management of Rathbones Group Plc ("**Rathbones**" or the "**Company**") is pleased to announce the completion of the all-share combination of Rathbones with Investec Wealth & Investment Limited ("**Investec W&I UK**") to create the UK's leading discretionary wealth manager (the "**Combination**").

Under the terms of the Combination, Rathbones has now issued to Investec Bank Plc as consideration:

- (i) 27,056,463 ordinary voting shares representing 29.9% of the Rathbones enlarged ordinary voting share capital ("**New Ordinary Shares**"); and
- (ii) 17,481,868 convertible non-voting ordinary shares ("**Convertible Non-Voting Ordinary Shares**"),

such that Investec Group now has an economic interest of 41.25% in Rathbones' enlarged share capital.

Following completion, and as described in the combined prospectus and circular published on 1 June 2023 (the "**Prospectus**"), Investec Group (defined below) is entitled to nominate two Non-Executive Directors for appointment to the Board of Rathbones. Investec has informed Rathbones that it will nominate Ruth Leas instead of Ciaran Whelan, and the appointments of Henrietta Baldock and Ruth Leas have now taken effect subject to regulatory approval.

Commenting on the completion of the Combination, Paul Stockton, Group Chief Executive of Rathbones, said:

"Rathbones' combination with Investec W&I UK presents many exciting future opportunities and creates the UK's leading discretionary wealth manager with approximately £100 billion of funds under management and administration. Completion represents the start of a journey to bring both businesses together, delivering a high-quality range of services to clients and offering employees the chance to grow and develop within the enlarged Rathbones group. The strategic and financial rationale behind the combination is compelling and I thank all teams at Rathbones, Investec W&I UK and Investec Group for their dedication to achieving this milestone. I look forward to achieving the benefits to be realised for our clients, colleagues and shareholders."

Admission of New Ordinary Shares

Rathbones also confirms, as described in the Prospectus, that admission of the 27,056,463 New Ordinary Shares to the premium segment of the Official List and to trading on London Stock Exchange's Main Market took place this morning at 8:00 a.m. ("**Admission**"). The 17,481,868 Convertible Non-Voting Ordinary Shares issued to Investec Bank Plc will not be admitted to listing or trading on any exchange.

Following Admission, Rathbones confirms that its share capital consists of: (i) 90,489,844 ordinary shares of 5 pence each, which carry one vote each; and (ii) 17,481,868 convertible non-voting ordinary shares of 5 pence each which do not carry voting rights. Rathbones does not hold any shares in treasury. Therefore, the total number of voting rights in Rathbones on 21 September 2023 is 90,489,844. The above figure of 90,489,844 may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, Rathbones under the FCA's Disclosure Guidance and Transparency Rules.

Relationship Agreement

As a result of the Combination having completed, the Relationship Agreement, a summary of the terms of which is set out in the Prospectus (*Part 2 Summary of Key Combination Terms*), is now in effect. The Relationship Agreement governs the relationship between the Company, Investec Bank PLC, Investec PLC and Investec Limited (Investec Bank PLC, Investec PLC and Investec Limited together, the "**Investec Group**"). Among other matters it entitles the Investec Group to nominate two individuals for appointment to the Rathbones Board as Non-Executive Directors as referred to above and contains, subject to certain exceptions, voting commitments, standstill and lock-up provisions in relation to Investec Group's shareholding in Rathbones as summarised in the Prospectus.

Services Agreement

As contemplated at the time of announcement of the Combination, Rathbones confirms that earlier today it entered into a services agreement (the "**Services Agreement**"), whereby Investec Bank PLC will provide certain services to the Rathbones Group.

The Services Agreement enables Rathbones to leverage the scale of the Investec Group and its infrastructure, and covers areas including technology infrastructure and support services and the provision of certain services in relation to the property at 30 Gresham Street. Delivery of the majority of these services is expected to commence in Q2 2024, with the estimated cost expected to be approximately £16 million per annum on average, representing a material saving to the enlarged Rathbones Group. The Services Agreement has a four-year term, with an indicative total contract value of approximately £64 million.

These savings, as well as the set-up costs associated with the Services Agreement, are already captured within the expected run-rate synergy targets and costs announced as part of the Combination.

Details of Non-Executive Directors

Henrietta Baldock

Henrietta Baldock serves as chair and independent non-executive director at Investec W&I UK having been appointed in August 2021. Henrietta also serves as an independent non-executive director on the boards of Investec Limited, Investec PLC and Investec Bank. She is also a director of Hydro Industries Limited, Legal and General Assurance Society Limited and Legal and General Group plc. She does not hold any shares in Rathbones.

Ruth Leas

Ruth Leas has been with Investec for 25 years. In 2019, Ruth was appointed as Chief Executive Officer of Investec Bank plc, the main banking subsidiary of Investec plc, which houses Investec Group's non-Southern African operations (including the UK, Channel Islands, Ireland, US and India). Ruth has deep knowledge of Investec and banking having joined Investec in South Africa in 1998. She moved to Investec in London in 2002 and has had varied experience, with her first 10 years in client facing roles. Ruth became Co-Head of US Principal Finance before joining the Credit team and later becoming Head of UK Investor Relations. She was appointed as an Executive Director in 2016 and was Head of Risk Management before becoming Chief Risk Officer in 2017. Prior to joining Investec, Ruth was Treasury Economist for Gencor in South Africa. Ruth currently sits on the Cambridge Judge Business School Advisory Board and has sat on the UK Finance Board.

The Appendix to this announcement contains further information in respect of Ruth Leas and the terms of her appointment.

Save as set out in this announcement, there are no other matters requiring disclosure under Rule 9.6.13 of the Listing Rules in respect of either Henrietta Baldock or Ruth Leas.

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Appendix

1. Interests in Rathbones Shares

Save in respect of Investec Bank Plc's interest in the New Ordinary Shares and Convertible Non-Voting Ordinary Shares, as at the date of this announcement, neither Ruth Leas nor any person so connected (within the meaning of section 252 of the Companies Act) with her has any interest in:

- a. the share capital of Rathbones or any of its subsidiaries or any options over any shares in Rathbones or any of its subsidiaries or any options over any shares in the capital of Rathbones ("**Rathbones Shares**"); and
- b. any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of Rathbones Shares.

2. Directorships

Ruth Leas has not held any directorship of a publicly quoted company at any time in the five years preceding the date of this announcement.

3. Terms of Appointment

Pursuant to her letter of appointment, Ruth Leas:

- a. will not be entitled to receive a fee or other remuneration for her role;
- b. will be appointed for an initial term of three years unless terminated by Rathbones or Investec Group in accordance with the terms of the Relationship Agreement;
- c. has no contractual right to compensation on termination of her appointment;
- d. is entitled to be reimbursed for all reasonable out of pocket expenses properly incurred whilst carrying out Rathbones' business;
- e. save for any directorships held within the Investec Group, will not be permitted to have any other directorship or business interest which will conflict with her duty as a director of Rathbones and will be required to consult with Rathbones prior to taking on any other or further directorships or public appointments during the term of her directorship; and
- f. will be subject to a performance review on an annual basis.

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