

NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES

4 April 2022

Pendal receives conditional, non-binding indicative proposal from Perpetual at indicative value of \$6.23 per share

Pendal Group Limited (ASX: PDL) (**Pendal**) announces that it has received a conditional, non-binding indicative proposal (the **Indicative Proposal**) from Perpetual Limited (ASX:PPT) (**Perpetual**) to acquire 100% of the shares in Pendal by way of a Scheme of Arrangement.

The Indicative Proposal is for a consideration of 1 Perpetual share for every 7.5 Pendal shares plus \$1.67 cash for each Pendal share. This represents an indicative value of \$6.23 per Pendal share (based on the closing price of Perpetual shares on the ASX on 1 April 2022).

The value of the Indicative Proposal will fluctuate daily in line with the Perpetual share price. Based on the proposed component of scrip consideration, Pendal shareholders would own approximately 48% of the merged entity.

The indicative value of \$6.23 per Pendal share represents:

- a premium of 0.3% to Pendal's VWAP for the 180 days prior to 1 April 2022;
- a premium of 21.9% to Pendal's VWAP for the 90 days prior to 1 April 2022;
- a premium of 35.4% to Pendal's VWAP for the 30 days prior to 1 April 2022; and
- a premium of 39.2% to Pendal's closing share price on 1 April 2022.

The Indicative Proposal is subject to a number of conditions, including but not limited to:

- due diligence;
- negotiation and execution of transaction documentation;
- receipt of all applicable regulatory and other approvals; and
- no material adverse change to Pendal.

The Pendal Board notes that the Indicative Proposal has been put forward at a time when significant geopolitical instability, the economic impacts of the ongoing COVID-19 pandemic and broader market volatility has disrupted the global markets in which Pendal operates. This has materially impacted the trading values of global asset managers which may not currently reflect their long-term potential to deliver attractive returns to investors.

The Board of Pendal has commenced an assessment of the Indicative Proposal, considering the value of Pendal on a strategic and control basis. The Board is also carefully assessing the outlook for Perpetual and the proposed combined group given the significant scrip component of the proposed consideration.

The Board will consider all of these factors to ensure it acts in the best interests of shareholders as it assesses the Indicative Proposal as well as assessing alternative opportunities for Pendal.

The Directors will keep shareholders and the market informed of further developments as they occur. Shareholders do not need to take any action at this time.

The Board of Pental has appointed Macquarie Capital as its financial adviser and King & Wood Mallesons as its legal adviser in relation to the Indicative Proposal.

For further information please contact:

Investors

Rachel Cooper

Head of Investor Relations

M: +61 402 132 685

Email: Rachel.cooper@pentalgroup.com

Media

Ben Wilson

GRACosway

M: +61 407 966 083

Email: Bwilson@gracosway.com.au

This announcement is authorised for release by the Board of Directors of Pental Group Limited.